

INDIA GLOBAL BUSINESS

UK Edition



On The Edge

11



DESPATCH BOX

Brexit has thrown an intricate jigsaw up in the air

Gina Miller, Co-Founder, Lead Not Leave

14



THE BIG INTERVIEW

Reinventing transportation for the future

Ben Legg, Managing Director, Ola UK

16



EYE ON BREXIT

Fintech is making a dramatic impact in India

Catherine McGuinness, Policy Chair, City of London Corporation

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16 ▶

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The 'Indian Backstop': A Brexit insurance policy May should be investing in more

People in the Western world are well aware of the story of Roman Emperor Nero fiddling while Rome burned. History seems to repeating itself in a distant corner of what was once the Roman empire – Britain.

The deadline for leaving the European Union (EU) is looming – 11 pm on March 29 is barely three weeks away – yet, there is still no clarity on the kind of deal the UK will negotiate with Brussels. In fact, there is now some doubt on whether the divorce will take place at all on the appointed day – which, in my opinion, will be the best outcome possible.

Right now, though, that's a long shot and this is causing heartburn and generating considerable dismay in corner offices, not only in the UK but also in companies across the world that have made Britain their gateway to Europe.

What will happen to their investments? That's a big worry but that could also be turned into an opportunity.

Some foreign companies, such as Nissan, are already pulling back on their engagement with the UK. It will not make its X-Trail in Britain. Though China's slow-down is being blamed in part, many others will also prefer to wait and watch till the situation stabilises and greater clarity emerges. The UK will lose out on these opportunities.

However, rather than talking down a post-Brexit UK, I have remained firm in my view that Brexit or no Brexit, we must showcase the opportunities. And India remains a vested partner in this. In fact, to borrow parlance of the day, the 'Indian backstop' is an insurance policy certainly worth investing in!

Last year, the UK had signed a number of agreements and memoranda of understanding (MoUs) with India on a wide range of subjects – from cyber security, technology partnerships, river rejuvenation, animal husbandry and many others.

I have been a passionate advocate of closer UK-India

ties across the entire spectrum of people-to-people ties, business, diplomacy and geo-politics. Many serious analysts and strategic experts also hold the same view. All of us have also advocated a closer economic partnership between the two countries to at least partially cushion the shock to the UK economy of the possible denial of easy access to the EU market.

Britain and India are the world's fifth and sixth largest economies, respectively. Both are technology leaders in their own right. Indian companies have traditionally viewed the UK as their natural beachhead for operations in the EU and India Inc. still banks on the City of London for a large part of their overseas fund-raising plans.

These advantages and linkages will not disappear overnight.

RATHER THAN TALKING DOWN A POST-BREXIT UK, I HAVE REMAINED FIRM IN MY VIEW THAT BREXIT OR NO BREXIT, WE MUST SHOWCASE THE OPPORTUNITIES.

All it needs is a political push to bring these synergies to bear. Experts and analysts in the UK and India acknowledge the bright prospects for economic ties between the two countries. But a few niggling issues and domestic political concerns over immigration in the UK and its fallout on Indian professionals and students have come in the way of fully consummating these ties.

Overcome these and British Prime Minister Theresa May will get an economic lifeline that will give her elbow room to manoeuvre negotiations with Brussels in the direction she wants.

It will work both ways. Following US President Donald Trump's revocation of Generalised System of Preferences (GSP) benefits for exports from India, New Delhi, too, will be keen on forging closer links with other developed countries as an insurance against future shocks.

Manoj Ladwa

Founder and CEO of India Inc. Group.

[@manojladwa](https://twitter.com/manojladwa)

CONTENTS

The UK Edition of 'India Global Business' comes at a delicate stage in the Brexit negotiations process and evaluates how Britain's partnership with India offers an anchor amid the ongoing uncertainties. A range of interviews and analyses dive into some of the wider issues in this edition.

THE BIG STORY

6



**An Indian backstop:
Insurance policy for a
stronger post-Brexit Britain**
by India Inc. Staff

THE BIG INTERVIEW



14 Reinventing transportation for the future
Ben Legg, Managing Director, Ola UK

EYE ON BREXIT



16 Fintech is making a dramatic impact in India
*Catherine McGuinness,
Policy Chair, City of
London Corporation*

FROM THE TOP

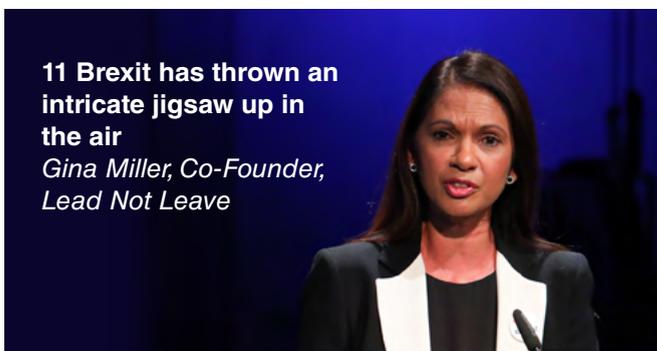


3 The 'Indian Backstop': A Brexit insurance policy May should be investing in more
by Manoj Ladwa,
Founder & CEO, India Inc.



20 EXPERT VIEW: India-UK tie-ups shaping real-world solutions to complex challenges
*Prof. Colin Grant, Vice-Principal
(International), Queen Mary
University of London*

DESPATCH BOX



11 Brexit has thrown an intricate jigsaw up in the air
*Gina Miller, Co-Founder,
Lead Not Leave*



**29 THE SMALL PRINT
What does Brexit mean for start-ups?**
*Dr Param Shah,
Director - United Kingdom,
FICCI*

HOTSPOT

31 Matching up Kentucky businesses with India

Erran Persley, Executive Director, International Affairs & Business Development, Kentucky Cabinet for Economic Development



34 THE BIG PICTURE

India-Pakistan: A pessimistic scenario, at least in the short-term

by Gareth Price, Senior Research Fellow, Chatham House

COUNTRY FOCUS

36 Israel is a global innovation powerhouse

Ziva Eger, Chief Executive of Foreign Investment, Israeli Ministry of Economy and Industry



40 REGION FOCUS

India-Scotland ties in need of revival

Poonam Gupta, Founder, PG Paper Company Ltd



44 GLOBAL INDIAN Gender equality is absolutely critical to global business

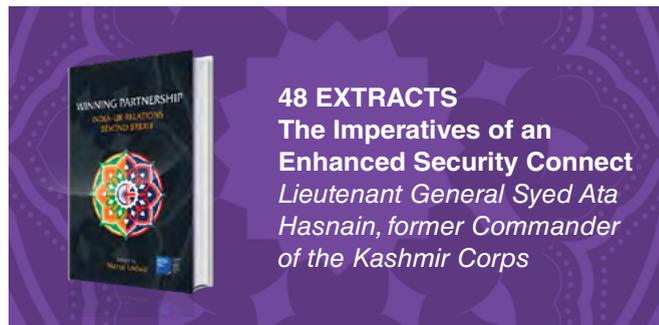
Neha Narkhede, Co-Founder and Chief Technical Officer (CTO), Confluent



46 SPECIAL REPORT

India helps drive up Scotch whisky export boom

by India Inc. Staff



48 EXTRACTS
The Imperatives of an Enhanced Security Connect
Lieutenant General Syed Ata Hasnain, former Commander of the Kashmir Corps

50 SOCIAL IMPACT FOCUS

An integrative approach to literacy

Rohini Rathour, Founder-Trustee, Raindrop Campaign



52 REVIEW

Doctors protest UK's 'unfair' health surcharge
by India Inc. Staff

54 LAST WORD

Trump's GSP bite may not hurt India much, but...

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An Indian backstop: Insurance policy for a stronger post-Brexit Britain

by Arnab Mitra

As the Brexit deadline looms, all options are on the table. But British Prime Minister Theresa May should be selling her deal to the British public by also leveraging the existing technology and economic cooperation agreements her government signed with India last year.

Will Brexit be delayed? British International Trade Secretary Liam Fox thinks it is possible, if Prime Minister Theresa May's deal is rejected and Article 50 extended. It will be very unfortunate, "but, if we have no option, in order to deliver a smooth Brexit, then so be it," he told BBC One. That pretty much confirms what many have been talking about in private – that a no-deal Brexit is now finally off the table.

Wolfgang Schäuble, President of Germany's Bundestag, in fact, seems convinced that the UK is not going

anywhere. "I believe Britain will either not leave the EU at all or come back at some point," the Guardian quoted Schäuble as saying.

As Britain lurches tortuously towards its date with divorce from the European Union (EU), May, who is piloting the process through a minefield of domestic opposition and discord, has had to survive major embarrassment and erosion of political capital.

She barely survived the largest parliamentary defeat for a British

Prime Minister in a long, long time thanks in part to a face-saving victory in a no-confidence vote brought by Opposition Leader Jeremy Corbyn.

We are now barely three weeks away from D-Day – 11 pm on March 29 – when Cinderella will, figuratively, have to come face to face with reality but there seems to be very little evidence that the political class in Britain sees it that way.

But May's UK may get an economic lifeline from an unlikely quarter – India or a kind of Indian backstop that

provides an insurance to both British and Indian companies as they grapple with the Brexit-induced turmoil that is buffeting British businesses.

Business sentiment hit

Businesses, including some 800 Indian companies that have invested billions of pound sterling in the UK, meanwhile, are trying to make sense of the theatre of the absurd that seems to be playing out in the UK.

They are also trying to assess the long-term damage being caused to the British economy by what is turning out to be long-running parliamentary soap opera. Japanese car giant Nissan has already announced the shelving of its plans to build its new X-Trail in the UK, costing Britain several hundred million dollars in fresh investments and hundreds of additional jobs.

Danish Prime Minister Lars Løkke Rasmussen summed the damage to the British economy in which “one car factory after another stops or cancels planned production” while pledging to never put his country’s EU membership to a referendum.

“The British public had been taken in by some rhetorically skilled politicians who turned out to be untrustworthy conmen who subsequently left the sinking ship,” he said, adding that Westminster is a circus and “a paralysed political system that is about to melt down”.

Strategic fit with India

The potential synergies between May’s idea of a Global Britain that does not retreat into isolation after Brexit and Indian Prime Minister Narendra Modi’s vision of fully integrating India into the global supply chain for the mutual benefit of both India and the world are massive.

Many analysts and politicians in the UK see in this a strong case for a closer clinch with India at this juncture. The country is already the third-largest investor in the UK. In fact, India’s Tata Group is the largest brick-and-mortar employer in this country.

This investment is driven not only by the huge British market but also by the UK’s position as India’s bridgehead to the vast EU market and beyond. Many Indian companies have set up shop in the UK to take advantage of London’s position as the centre of global finance.

The advantages are clearly visible. The UK is the world’s fifth-largest economy with truly global linkages with every part of the world. It will also retain its global technology leadership and its organically evolved infrastructure to support cutting edge innovation. And London will continue to be among the world’s top two financial centres.

These will not disappear overnight... or even in the near future. Indian companies can continue to benefit from these for years to come.

For the UK, India offers a huge market for its technology and consumer products as well as for its huge services industry that can cushion some of the shock its economy will feel after Brexit.

MAY’S UK MAY GET AN ECONOMIC LIFELINE FROM AN UNLIKELY QUARTER – INDIA OR A KIND OF INDIAN BACKSTOP THAT PROVIDES AN INSURANCE TO BOTH BRITISH AND INDIAN COMPANIES AS THEY GRAPPLE WITH THE BREXIT-INDUCED TURMOIL THAT IS BUFFETING BRITISH BUSINESSES.

Platform already in place

The much-delayed trade deal between the UK and India is not likely to see the light of the day anytime soon. But as US President Donald Trump’s revocation of tariff-free benefits under the Generalised System of Preferences (GSP) for India shows, New Delhi cannot count on concessional access to developed

markets forever. It has to sign bilateral deals with partner countries and the Brexit backdrop provides an ideal opportunity to do so with the UK.

Till that happens, an alternative platform already in place can help the two countries to deepen their economic engagement.

During Modi’s visit to Britain last year, the two countries signed over two dozen pacts and MoUs on a wide range of subjects, in acknowledgement of the fact that the UK, as a global financial powerhouse and technology leader, can find many synergies with India, the world’s fastest growing major economy, with a billion-plus aspirational consumers.

The UK’s Department of International Trade (DIT) has collaborations with dozens of companies in sectors ranging from security, cyber security, wind and renewable energy etc, that the two countries can leverage.

Technology cooperation

India is acknowledged as a software superpower and Britain has long been among the world’s technology leaders. The agreement signed between the two on establishing a cyber-relationship framework to develop a common understanding of the issue internationally is an important platform to widen the economic and strategic engagement between them, especially in the light of the advances made by China in the field of cyber warfare.

At a time when India is digitising at the speed of light – with millions of people and more services and businesses going online – it can absorb Britain’s cutting-edge technological leadership in cyber security to ensure a seamless experience for online service providers and users alike. This can generate a large number of jobs in the UK and at last partially offset fears of job losses from Brexit.

And technology need not only mean IT and related fields. British company MacRebur, for example, has pioneered a technology to use

THE POTENTIAL SYNERGIES BETWEEN MAY'S IDEA OF A GLOBAL BRITAIN THAT DOES NOT RETREAT INTO ISOLATION AFTER BREXIT AND INDIAN PRIME MINISTER NARENDRA MODI'S VISION OF FULLY INTEGRATING INDIA INTO THE GLOBAL SUPPLY CHAIN FOR THE MUTUAL BENEFIT OF BOTH INDIA AND THE WORLD ARE MASSIVE.



granules made from used plastic bottles with asphalt to build roads in the UK, US, Slovakia, Australia and other countries. This not only reduces the cost of roads but also provides a sustainable way of dealing with plastic waste. India, which is building thousands of kilometres of highway every year, can benefit tremendously from this new technological innovation.

Skilling individuals

TechUK and Nassom, the leading technology sector bodies in the UK and India, respectively, set up the UK-India Tech Alliance to collaborate on skilling professionals in both countries in new technologies by leveraging the deep knowledge base that exists in India and UK. Leading stakeholders – both corporate-institutional as well as individual – from the UK and India will be part of this alliance.

This will facilitate the development of new technologies and an exchange of ideas that are expected to generate billions of revenues over the coming decades.

Then, it will also help upgrade Skill India, a major flagship programme of the Modi government, that has already provided livelihood training to millions of people to prepare them for jobs in industry and the services sector. The pact for providing vocational education and training will promote greater collaboration in high demand sectors where the UK has technical expertise. It will also provide for collaborations between British and Indian institutions for providing apprenticeships, quality assessment and certification.

This will open up a huge market for the British services sector and help the British government address the issue of potential job losses from possible denial of access to the EU market.

A new tech hub

Another initiative that can help the UK absorb the shock of losing unfettered access to the huge EU market is the agreement to set up a UK-India Tech Hub that will be located in the premises of the British

High Commission in New Delhi. This hub will provide a network of people and generate ideas, investment and prosperity for the two countries. Its remit will include tracking and adapting the latest developments in the technology world including artificial intelligence, future mobility, electrical vehicles, big data, healthcare, cyber security, digital manufacturing and digital identity.

The hub will also facilitate collaboration on artificial intelligence and digital healthcare by applying evidence-based healthcare in vogue in the UK and strengthen healthcare delivery in areas such as primary, secondary and tertiary care, including self-care, eye care, diabetes and cancer.

The Indian government has announced that a large part of its automobile and commercial vehicle fleet will be powered by electricity by 2030 and the country is well on its way to achieving the target of generating 175 GW of electric power from renewable energy sources such

as solar, wind and biomass.

But substantial technological challenges still persist, most notably in the field of storage technology, which is sine qua non for providing balancing capacity for the inherently infirm nature of solar and wind power. This hub is expected to help generate solutions for the challenges that still exist en route to that goal and, thus, create new markets and job opportunities for UK's technology sector.

River rejuvenation

The two countries had also signed an MoU for the rejuvenation of the river Ganga. The UK, which has successfully rejuvenated the Thames, will help India replicate that experience in the Ganga, which is now ranked among the most polluted rivers in the world. The National Environmental Research Council, UK, signed an MoU with the National Mission for Clean Ganga to support the Indian government in sustainable management of the Ganga basin through project-based and policy-based collaborations as well as through the exchange of experts from the UK.

The Modi government has taken up the mission to clean the Ganga and a rejuvenation of the river basin, which spans states such as Uttarakhand, Uttar Pradesh, Bihar and West Bengal and provides livelihoods to almost half a billion people will add billions of dollars to the country's GDP and help uplift many millions of people living in its catchment area.

It will also provide the UK with a potential multi-billion-dollar opportunity to sell its technology and utilise its technically skilled personnel in newer geographies.

The two countries also have subsisting agreements on nuclear cooperation, animal husbandry and fisheries, on popularising Ayurveda in the UK and in healthcare. For example, York-based life sciences company OptiBiotix has recently signed an agreement with Indian healthcare company Zeon for its



weight management technology SlimBone.

There are also agreements on the launch of a fund to finance the growth of eco-friendly and sustainable businesses in India with participation from the private sector, and a new dialogue on investment to improve mutual understanding of priorities and review future opportunities for cooperation.

From potential to reality

The potential is there for all to see. Businesses, experts and analysts in the UK and India acknowledge the bright prospects of economic ties between the two countries. But a few niggling issues and domestic political concerns over immigration in the UK and its fallout on Indian professionals and students have come in the way of fully consummating these ties.

As a result, the relationship between the countries has often drifted along shallow transactional lines, with the focus firmly on "quantity" rather than the quality of the relationship.

It is widely acknowledged that India looks at Europe and the EU through the eyes of Great Britain. Similarly, it can also be argued that for decades, Europe has looked at India either with confusion or via the leadership of the UK.

But Brexit has brought about a decisive break in this world view. Things have now changed; India has changed; the UK has changed;

and the power dynamic that defined the relationship between these two countries has changed.

It naturally follows that the rules of engagement should also change in line with the ground realities.

So, it will be fair to say that India and the billions of Indians who make up this very complex, highly aspirational but very lucrative market can provide British Prime Minister May the backstop insurance. In negotiations, it is always good to let the other side know that theirs isn't the only show in town. can also be argued that for decades, Europe has looked at India either with confusion or via the leadership of the UK.

But Brexit has brought about a decisive break in this world view. Things have now changed; India has changed; the UK has changed; and the power dynamic that defined the relationship between these two countries has changed.

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So, it will be fair to say that India and the billions of Indians who make up this very complex, highly aspirational but very lucrative market can provide British Prime Minister May the economic breathing space she needs to be able to negotiate with Brussels from a stronger position than she finds herself in at this point in time.

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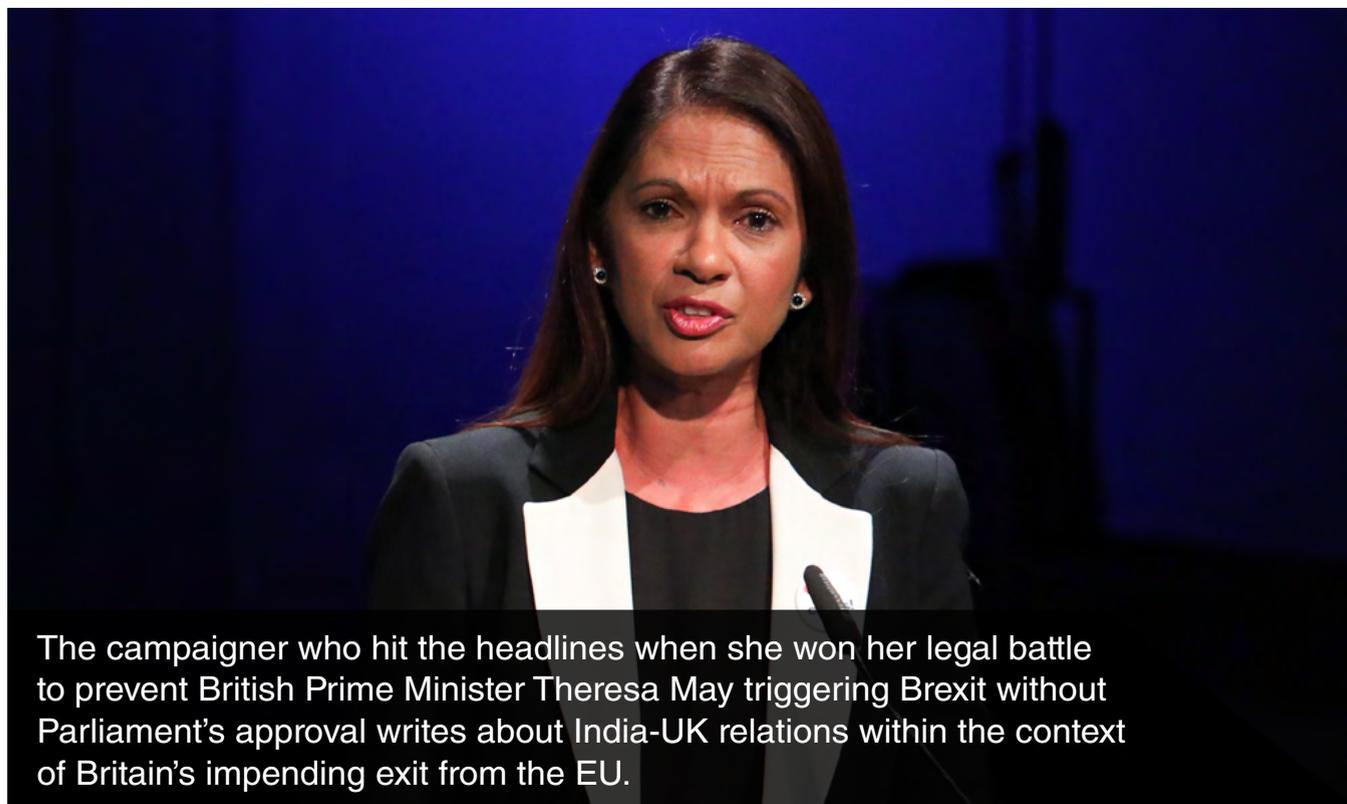
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United Kingdom

Brexit has thrown an intricate jigsaw up in the air

by Gina Miller



The campaigner who hit the headlines when she won her legal battle to prevent British Prime Minister Theresa May triggering Brexit without Parliament's approval writes about India-UK relations within the context of Britain's impending exit from the EU.

Narendra Modi, the Prime Minister of India, said not so long ago that he believed his country and the United Kingdom make an “unbeatable combination.” Nobody would ever have thought to dispute that in the past with bilateral trade between our two countries growing rapidly in the last 10 years – it was £18 billion in 2017 alone – but what happens to the relationship after The United Kingdom leaves the European Union (EU) on March 29, 2019?

Traditionally, many Indian businesses have relied on the UK as their port of entry into the EU, but with Brexit turning the UK into more of a commercial cul-de-sac, many Indian businesses are actively looking for alternative gateways into the all-important EU market. In the UK, the repercussions across a wide range of sectors – from life

sciences and medical technology, car manufacturing to food and drink, energy, defence and culture – could be profound.

INDIA NOW RECOGNISES THAT THE UNITED KINGDOM NEEDS INDIA A LOT MORE THAN INDIA NEEDS IT.

Although Modi's BJP is, in theory, the sister party of the British Conservatives, the BJP has never been close to the Conservatives and, unlike David Cameron, who assiduously courted Modi and invested in commercial relationship building with India, Theresa May really hasn't. Added to which, with a General Election now imminent in India, does Modi have the time or inclination to listen to Theresa May's claims that a

global Britain beckons? And, frankly, even if he did, would this play well to his nationalist vote at home, since the British Raj still casts a long and, let's be honest, hardly cheering shadow across Indian politics.

India is, of course, merely one part of a huge jigsaw, carefully assembled over many years, that has been thrown up in the air by Brexit. I have attempted through my Lead Not Leave campaign organisation to bring clarity to the arguments now raging around the issue in Westminster and have gone so far as to set out some common-sense proposals to our Prime Minister, Theresa May, based on a promising dialogue that David Cameron began with Donald Tusk, the President of the European Council, some months before the fateful vote to leave the EU on June 23, 2016.

I have been determined, above all

things, to see that proper respect and attention to the law and Parliamentary process in what was inevitably going to be a rushed and chaotic process when trying to unravel 46 years of a highly complex relationship, in a matter of just two years. There is also the matter of our constitutional principles and ensuring our rather secretive government and indeed Prime Minister do not attempt to put themselves above the law. That was why in 2016 I successfully challenged Theresa May's Government first in the High Court – and then, on appeal, in the Supreme Court – over its attempt to overthrow Parliamentary sovereignty and deny our MPs the

doubt, just compare the growth figures between India and the UK, with India the world's fastest growing major economy. When the Indian government announced that growth had in the third quarter of 2018 slowed to 7.1 per cent, Indian voters and politicians were outraged. Compare that to the UK, where the Bank of England has just slashed the nation's growth forecast for 2019 to just 1.2 per cent, to scarcely a murmur of domestic disapproval.

In an ideal world, India would now be dutifully re-negotiating with the UK and EU the World Trade Organisation Schedules of Concessions, for both

India and other countries. What will get in the way is the ideology being slipped in the backdoor of Brexit. The proponents of Brexit – and those who voted for it simply don't like foreigners. They want strict rules, such as a £30,000 cap on earnings for anyone entering the UK. It is hard to see how that is going to be compatible with any new relationship with India. As David Lammy, a principled Labour politician, put it: "When we negotiate our trade deal with India, the first thing that country will want will be visas, so these people who have been worried about Poland are going to have to get their heads around the size of India."

WITH BREXIT TURNING THE UK INTO MORE OF A COMMERCIAL CUL-DE-SAC, MANY INDIAN BUSINESSES ARE ACTIVELY LOOKING FOR ALTERNATIVE GATEWAYS INTO THE ALL-IMPORTANT EU MARKET.

chance to debate and vote on Article 50, the process that formally set into motion our departure from the EU.

All the while I have been acutely aware of how Brexit, if badly handled, could damage the United Kingdom's standing in the world, politically and economically. I am of Indian heritage and have been mindful of how differently Brexit is being reported in the United Kingdom and in India. With 1.7 million British Indians living in the UK, there are many people of Indian extraction, like me, wondering what the future holds for them, their families, communities and livelihoods in a post-Brexit Britain.

If the British tabloids, in particular, have reported it in a distinctly jingoistic way, the Indian media seems at best bemused and, at worst, entirely indifferent to Brexit – reporting on it mostly as a concerned and mildly disappointed old friend. There have even been jokes along the lines of "why should the British now feel the need to start partitioning themselves?" India recognises rightly that this is none of their doing and ultimately not their problem. India now recognises that the United Kingdom needs India a lot more than India needs it. If you're in any

goods and services, resume its trade discussions with the EU, and prepare to begin trade talks with the UK. But all of that would take up a great deal of time, and India has its own domestic priorities such as the worrying tensions with Pakistan after the atrocity in Kashmir and, as mentioned before, the impending General Election, when Modi faces a determined onslaught from the Opposition Congress party.

Among leading Indian businessmen and women it is hard now not to detect a barely disguised note of exasperation in their voices when they talk about the UK. Ralf Speth, the CEO of Jaguar Land Rover – owned by the mighty Indian conglomerate Tata – warned last Autumn that a "no-deal" Brexit and lack of clarity over Britain's post-Brexit plans were threatening the UK-based luxury car maker's entire operational setup. In January, JLR confirmed it was cutting 4,500 jobs, with the majority coming from its 40,000-strong UK workforce. The cuts come on top of last year's 1,500 job losses.

Against this grim realism, there is still bold talk among politicians in London of forging a new and even more mutually beneficial relationship with

At the height of Empire, Britain called the shots in India, but now the roles are clearly reversed. The relationship between the two countries runs deep, however, and it is my hope that, despite everything, it will endure. Many Brexiteers with rose tinted memories of past days of Empire and over-inflated notions of Britain's place in the world alone after Brexit, see Britain success dependent on economic ties with countries such as India.

But I believe they underestimate how much the EU's relations with both countries will overshadow everything. The EU and India have been in trade talks since 2007 and the EU is committed to a "balanced, comprehensive and ambitious trade agreement with India which results in benefits for both sides". Looking at what they have brokered with Japan, it does not bode well for us in the United Kingdom.

Gina Miller is the Co-Founder of Lead Not Leave, an organisation campaigning for the UK to take the lead in reforming the European Union from within.

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Reinventing transportation for the future

Ben Legg is the Managing Director of Ola UK and in charge of the Indian ride-hailing company's expansion strategy for the UK market since its entry last year. In this interview with 'India Global Business', he traces Ola's journey in the UK so far, plans for a London launch and prospects of the online transportation model in future.

What is Ola's broad strategy for the UK market?

Ola wants to reinvent the way people and goods move around, making it faster, cheaper, safer and more convenient. Our UK approach is to work collaboratively with licensing authorities and stakeholders across the UK to expand our footprint in a sustainable way. That allows us to bring our service to as many people as possible and help drivers to earn more money across the country. We have launched in Cardiff, Bristol and Exeter and we are excited about expanding further across the UK in 2019.

When is a London licence likely and are Uber's troubles in the city likely to impact that decision?

We are currently engaged in

constructive conversations with licensing authorities about launching in the capital, as well as across the UK. We are fully committed to working together with the relevant authorities and stakeholders. Our

WE HAVE LAUNCHED IN CARDIFF, BRISTOL AND EXETER AND WE ARE EXCITED ABOUT EXPANDING FURTHER ACROSS THE UK IN 2019.

launch in the South-west has gone really well, with over 1,000 drivers completing 100,000 rides over the past five months, and we are looking forward to extending our presence to other cities. We believe that the mobility needs in every market are unique and need to be solved for locally.

What sets Ola apart from its rivals, in India and overseas?

We are not just an app matching drivers and passengers. We want to reinvent transportation in a way that works for passengers, drivers, the environment, governments, and broader society. We are a technology platform, but with a human face. As one example, we are committed to ensuring the wellbeing and success of our drivers through favourable commission rates and a better work environment. Also, in the UK we are the only ride-hailing app to bring both private hire vehicles and black cabs on to one platform – giving drivers and customers more choice.

We are also seeking to lead the industry through our approach to passenger safety. We offer 24/7 support, options to share ride



details with emergency contacts and rigorous training courses for our drivers.

How do you see the future of the ride-hailing landscape panning out around the world?

As countries around the world all work to hit their 2050 climate

change obligations, and populations continue to grow in congested cities, we believe that there will be a significant shift away from using personal vehicles towards Mobility-as-a Service. This will dramatically reduce the number of cars on the road and the amount of space required for parking, as well as reducing pollution. Electric vehicles

will accelerate this shift.

We believe Ola can play an important role in this shift, developing technology and offering services that support and/or accelerate it.

What are some of the other markets/growth plans in Ola's sights next?

Our journey here in the UK has only just begun and we expect to grow significantly over the next 12 months. Our vision is global and we are always looking to identify new areas of opportunity.

What are the factors behind Ola's success story amid tough competition?

We are passionate about reinventing transportation through technology, but ensuring that we remain ethical and focused on being a force for good in society. This seems to resonate with our audience – both drivers and passengers - and that helps us drive sustainable growth.

OLA: FACT FILE



Ola was founded in 2011 by Bhavish Aggarwal and Ankit Bhati



Bangalore-headquartered ride-hailing firm claims to be among world's largest

125+

cities around the world

1 billion rides every year

150 million customers

Over **1 million** drivers

2 million rides a day

OLA: UK ENTRY

Ola obtained licences to operate in South Wales and Greater Manchester in August 2018 and launched operations in South Wales by September.

By incorporating local Black Cabs that operate on UK roads, Ola aims for a more diverse service than rivals.

Britain followed a successful launch in Australia in February 2018.

Ola claims to offer high commissions, resulting in higher earnings and daily payments for its drivers.

Main rival in the UK market is American giant Uber, which also operates a similar ride-hailing and sharing taxi service.



Fintech is making a dramatic impact in India

by Catherine McGuinness

City of London Corporation's Policy Chief looks back on a recent India visit to lay out the foundations for close cooperation in the field of financial technology, more specifically RegTech and InsurTech.

As the political leader of the City of London Corporation, the body that represents the UK's historic Square Mile and in a broader sense the country's financial and professional services sector, I recently travelled to India for the first time for a series of meetings with government and business leaders. My visit came at an interesting time for both our countries. In New Delhi, the 17th Lok Sabha elections could affect the course of a country that has had an astounding growth rate which is expected to lead to India overtaking the UK as the 5th largest country by nominal GDP this year.

Meanwhile, back in London the conversation and headlines remain firmly focussed on Brexit, and understandably there remain anxieties in the business community about the lack of a deal being struck with the EU. That's hardly surprising – after all Europe is our biggest trading partner, and many firms based here, including the around 800 Indian businesses employing some 110,000 people, chose the UK as a base partly as a result of our EU connections.

It didn't surprise me therefore that the 'B word' cropped up time and time again during my conversations

with Indian government and industry leaders in Delhi and Mumbai. But while there were questions on what will happen next, it was clear to me that what those I met really cared about was the long-term future of the UK-India partnership, and what opportunities, as opposed to challenges, the UK's departure from the EU presents.

Fintech is one of these.

The sector now dominates modern finance, and is an area in which the UK has grown to become a world leader. In fact, fintech now contributes

£6.6 billion annually to the UK economy, and employs over 76,500 people across some 1,600 companies in the country.

In India, the sector is equally buoyant, and has had a dramatic impact on improving financial inclusion. According to KPMG, the Indian fintech industry is currently worth \$33 billion and is forecast to reach \$73 billion by 2020, fuelled by entrepreneurship, government support and inward investment.

But let's remember that when we talk about fintech, we're not just talking about payments. In fact, the industry goes much wider than that, now encompassing areas like InsurTech and RegTech, with companies providing solutions for everything from easy insurance cover to simplified contracts.

Financial innovations like this don't just relate to a single country. Fintech is – by its very nature – cross-border, thriving on international cooperation, and that's exactly the message I delivered during my recent visit to India.

Our countries already have a solid relationship, with bilateral trade worth some £18 billion, and financial services accounting for around £350 million of this. UK firms are responsible for some 800,000 jobs in India, while around 800 Indian firms in the UK employ over 100,000. In the City of London alone we're home to all the major Indian banks, including the State Bank of India, now 98 years old and counting.

India is routinely among the top five investors in the UK, and around 1.4

million people in the UK have Indian heritage – a statistic testament to the long, historic ties between our countries and reason for PM Modi's much-quoted line for the UK, 'the living bridge'.

With stats like this it's no surprise that many are now looking to the future of our relationship, including our governments, who last year signed an ambitious UK-India Tech Partnership. The initiative aims to link up businesses, venture capital firms and others with the view of creating greater market access for SMEs and entrepreneurs in both our countries.



Fintech is unsurprisingly a major focus of this programme, with the Rocketship Awards giving at least 20 fintech entrepreneurs from each country given the opportunity to experience both ecosystems and pitch for investment. Last December saw the first cohort travel from the UK to India for productive meetings, and later this year we'll see a similar number of Indian firms travel to the UK.

The City Corporation I represent is fully behind this initiative.

After all, one of the strengths of our

organisation is our great convening power. We engage and work closely with the government, policy-makers, regulators, and business to ensure that the UK's financial and professional services sector continues to thrive and create the jobs this country needs to prosper economically.

Another thing we are good at is kickstarting important conversations. We recently commissioned PwC India to put together a series of reports on the opportunities for fintech in the UK and India, looking at payments, InsurTech and RegTech. The latter of these was launched during my recent visit to Mumbai, and shows how UK RegTech firms can help support Indian government initiatives, providing digital platforms that can connect micro-insurers, insurers, policyholders, and intermediaries, and increase insurance take up.

The rapidly growing RegTech solutions market in India (thanks in part to India

Stack) and the corresponding growth of the sector in the UK due to regulations like MiFID 2, PSD2, CASS and CRD IV mean there are opportunities for firms from both countries to actively collaborate to provide required solutions to these issues.

But you can only lead a horse to water if you know where the trough is, and as our reports show, players on both sides need better visibility and understanding of the opportunities and challenges in the sector before they can even consider a market entry.

EYE ON BREXIT

A great example of this is UK expertise in artificial intelligence, which can provide support in helping Indian firms meet SEBI's requirements on trade surveillance and algorithmic trading. However, at present there is little cooperation in this area. Vice versa, financial services firms in India have much to offer the UK, particularly in terms of data storage and management. However, failure to comply with new regulations like the EU General Data Protection Regulation (GDPR) can lead to penalties, restrictions, legal action, loss of reputation and ultimately being kicked out of the market before you've had a chance to make your name.

So, while there are opportunities in both our countries, it is obvious education is a crucial element in making this a reality. Like two pieces

of a jigsaw coming together, firms from India and the UK can work together more closely for the benefit of each other. But first, they need to know that these opportunities exist, and the potential pitfalls of each market.

That's why the City of London Corporation is assisting fintech firms in both our countries, hosting delegations, roundtable and events here in the UK and in India. We're already working with the Indian High Commission in London on their Access India programme, and thanks to our presence in Mumbai for nearly 12 years, we have unprecedented connections in both markets to bring people together. These links allow us to continue building on our mutually beneficial business relationship, strengthening ties and knowledge sharing in fintech, but also in areas,

like green finance, insurance and professional services, all of which offer plenty of opportunities for firms on both sides to cooperate.

I may have just made my first visit to India, but one thing's for certain: it won't be my last, and I look forward to see many more examples of UK and Indian firms entering each other's markets over the next three years of my time in office. Here's to the next stage of the UK-India fintech revolution!

Catherine McGuinness is Policy Chair, City of London Corporation – the body which represents the London's traditional Square Mile financial district.



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India-UK tie-ups shaping real-world solutions to complex challenges

by Colin Grant

The head of global strategy at Queen Mary University of London lays out the aims and objectives of what he describes as ground-breaking partnerships in India.



We live in an unpredictable world, where risks and shocks are increasingly complex and interconnected. Led by Queen Mary University of London, a leading research-intensive university with a strong international outlook, the new Resilient Futures India Initiative will play a part in understanding these challenges, and shaping real-world solutions to tackle them.

Through education, research and public engagement, universities make powerful contributions to address critical challenges facing humanity. As a truly global university with staff and students from over 160 countries around the world, Queen Mary University of London is committed to delivering innovative research with global impact.

It is through partnerships across various sectors, disciplines and countries that we can better understand and drive sustainable policy solutions. This is what led

Queen Mary to create the Global Policy Institute, a hub for policy-facing initiatives across disciplines to address the grand challenges of today's world.

THE RESILIENT FUTURES INDIA INITIATIVE WILL ENABLE 'BIG THINKERS' FROM BOTH COUNTRIES TO FORMULATE PARTNERSHIPS.

There is no better place to start such engagement than in India: India's perspective and experience in tackling political, social, economic, and environmental challenges becomes all the more relevant in addressing critical risks in today's globalised world.

A new initiative to understand and design resilient futures
In 2015, world leaders at a historic

United Nations summit launched a common endeavour to "take the bold and transformative steps needed to shift the world on to a sustainable and resilient path." Strengthening resilience has become a core principle for advancing global sustainable development goals, but what does a resilient planet and society actually look like? And what can India and the UK do to make sure citizens are more resilient?

Resilience can be understood as the interconnected ability of individuals, communities, and systems not only to absorb, recover, and adapt to a variety of social, economic, and environmental shocks and changes, but also to make sense of the world and manage uncertainty in a very fundamental way. It is this broad concept of resilience that brought together a diverse group of experts from India and the United Kingdom to launch the Resilient Futures India Initiative in February 2019.

India's perspective and experience in tackling political, social, economic, and environmental challenges becomes all the more relevant in addressing critical risks in today's globalised world.

Recognising that the most effective policy initiatives emerge from a deep understanding of issues on the ground, the Resilient Futures India Initiative is harnessing this knowledge by building multilateral partnerships between India and the United Kingdom. Led by Queen Mary's Global Policy Institute, the initiative already has strong support from the Commonwealth Secretary General and backing from the Oxford India Centre for Sustainable Development.

Resilience against the backdrop of India's rapid transformation

Within the next decade, India will become the most populous country on our planet. Rapid transformation comes with a range of challenges, in areas such as health, environmental sustainability, infrastructure and legal frameworks. Despite India's impressive economic growth, many people still live in vulnerable situations and struggle in poverty. As more people migrate to cities, such changes will test the country's capacity to ensure access to basic services and resources.

A multidisciplinary approach for impactful research

It is through the sharing of ideas, of viewpoints, and of knowledge, that will ultimately lead to the design of durable and sustainable solutions that will enhance the lives of communities in both countries.

These values underpinned the launch events which took place in New Delhi in February. Together with Indian partners from a range of sectors and disciplines, these events interrogated the concept of resilience, enabled new ideas to emerge and promoted collaboration across different disciplines. As one of the participants in the workshops explained: "It was a very multi-sectoral, multi-disciplinary kind of approach, so cross-cutting, which was very good. It is focusing on resilience, rather than vulnerabilities.



We always talk about the negative aspects of things, but this focuses on the assets and where to go from here."

As a result of these sessions, participants identified three key research areas to focus on in India: public health and health systems; education and life skills; and violence and conflict. Within these themes, initial projects will build resilience tools in public health provision, identify governance gaps in provision for survivors of domestic abuse and design a family-based approach to building resilience.

At a second workshop, due to take place at Marlborough House and Queen Mary's London campus during the summer, researchers will report on the initial findings of their work and develop implementation strategies with key partners in order to deliver effective and durable solutions.

A commitment to long-term collaboration between India and UK

Queen Mary University of London has a long-term commitment to building on and expanding its partnerships

with academics in India and in universities worldwide. Collaborative research with like-minded partners in all parts of the world can help us to understand complex challenges from a global and multi-faceted perspective.

The Resilient Futures India Initiative will enable 'big thinkers' from both countries to formulate partnerships that, through very real collaboration, will aim to get to the bottom of resilience challenges in 2019 and beyond. It is only the beginning of an exciting project that will deepen Queen Mary's many links to India and harness a range of expertise for positive change.

Professor Colin Grant is Vice-Principal (International) at Queen Mary University of London and leads Queen Mary's global strategy. He is also Chair of the British Council Education Advisory Group and member of the Universities UK International Strategic Advisory Board.



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India, UK tie up to tackle local issues

UK firms and researchers move in to strike pacts in India.

Susaimo International to build Tractor-trailer in India

Keen on expanding its footprint to India, UK-based Susaimo International is in advanced talks with India's ASL Industries for manufacturing light-weight British designed tractor-trailers in India.

Surya Kumar Singh, Director and Founder, Susaimo International, said the company plans to foray into automotive tractor-trailer manufacturing in India with initial estimates of 6,000 trailers a year.

Susaimo International is a registered company in England and Wales, specialising in consultancy in engineering and manufacturing.

It is also engaged in products and process development in steel and aluminium, as well as global trading.

Singh said, "We are working on manufacturing of these advanced tractor trailers at Jamshedpur through a joint venture (JV) with ASL Industries. These trailers will be made as per a flat pack model which can be easily transported to long distances and assembled locally in one-hour time. Light body weight will help to consume less fuel."

"The project will be a boost to 'Make in India' drive as born in Azamgarh (UP), I am keen to contribute something to my country."

Apart from trailers, Singh is also eyeing manufacturing of high-end mattresses in association with a Haryana-based firm.

UK to support nitrogen research in India

Nitrogen pollution is an emerging environmental problem linked with air pollution, biodiversity loss, pollution of rivers and seas and ozone depletion. The British government has announced a research project to study nitrogen pollution in India and South Asia.

It is caused, among other things, by emissions from chemical fertilisers, livestock manure, and burning of fossil fuels. Gases such as ammonia and nitrogen dioxide contribute to poor air quality and can aggravate respiratory and heart conditions, while nitrous oxide is a greenhouse gas that depletes the ozone layer. Nitrate from chemical fertilisers, manure and industry pollutes rivers and seas, posing a health risk for humans, fish, coral and plant life.

The new partnership programme, South Asian Nitrogen Hub, will be led by the UK's Centre for Ecology and Hydrology and will include 50 organisations from UK and South Asia. Indian institutions to be involved include National Institute of Oceanography, Guru Gobind Singh Indraprastha University, Indian Institute of Tropical Meteorology, Jawaharlal Nehru University, Aligarh Muslim University, National Physical Laboratory and TERI University.

The five-year programme is being established with funds from the UK Research and Innovation (UKRI) and is worth £19.6 million (about Rs 182 crore). It will focus on impacts of different forms of nitrogen pollution, particularly looking at nitrogen in agriculture in eight countries in South Asia. It is expected to boost cleaner and more profitable farming.

UK helps with wheelchair-accessible Delhi maps

A collaborative project between the Indian Institute of Technology Delhi and University College London (UCL) is developing wheelchair-accessible maps of Delhi using innovative sensing platforms.

UCL researchers said the Street Rehab project has been designed to gain a clear understanding of user needs, available technology and the accessibility of India's capital.

The UCL team has developed low-cost sensors that can identify features of the sidewalk and gauge how the wheelchair or tricycle users propel themselves. The sensors are linked to the user's mobile phone, to make their mobility device part of the Internet of Things (IoT), and to enable users to access the sensor data via an app. They can also add geo-tagged photo or voice notes to annotate their journey.

For the first stage of the Street Rehab project, the researchers teamed up with local NGOs in India to find wheelchair and tricycle users from across the socio-economic spectrum, who were the study participants and also advised on the development of the project.

The research team, led by Dr Catherine Holloway alongside partners in the UK and India, is now continuing the project to develop a larger database of the wheelchair accessibility of Delhi to identify what needs to be improved and to deliver a service to wheelchair users to aid in their rehabilitation.

The Street Rehab project is associated with a £10-million GDI Hub project funded by the UK's Department for International Development (DFID).



Nitrogen may hold the key to unlocking clean air challenges

by Mark A. Sutton with Tapan K. Adhya & N. Raghuram

Environmental experts trace the journey to transforming nitrogen pollution for a cleaner circular economy across South Asia.

There is something quite bizarre about nitrogen. For it is almost everywhere and yet almost invisible to the society at large. Consider the Sustainable Development Goals (SDGs), established by the UN to be reached by 2030. None of the goals explicitly mentions the global nitrogen challenge, and yet nitrogen is relevant for at least two-thirds of the 17 SDGs.

To understand this contradiction, we need to grasp something of the properties of nitrogen. A plethora of different nitrogen forms is leading to multiple benefits and threats, as humans have tripled terrestrial nitrogen inputs over the last century. Some would say nitrogen makes for a journalistic nightmare, given the

THE IMPACT OF NITROGEN AIR POLLUTION ON NATURAL ECOSYSTEMS IN SOUTH ASIA HAS BEEN LITTLE STUDIED, SUCH AS IN THE HIMALAYAN FOOTHILLS.

difficulty of explaining complexity. For those who are patient, however, nitrogen may also be a storyteller's delight, as its protean changeability gives it a leading role in so many stories. Nitrogen is also of special interest to researchers, who have recently established a £20 million South Asian Nitrogen Research

Hub, supported through the Global Challenge Research Fund (GCRF) of UK Research & Innovation (UKRI).

For the researchers, the multiple relevance of nitrogen is exactly where its interest lies. This means that a focus on nitrogen may help overcome barriers to improving air quality, reducing greenhouse gas emissions and stratospheric ozone depletion, improving water quality in both freshwater and marine systems, while reducing adverse impacts on human health and biodiversity.

In this way, sustainable nitrogen management is rather like a wonder-drug, offering many diverse benefits. Not the least of these is the economic benefit. In India alone, the

A focus on nitrogen may help overcome barriers to improving air quality, reducing greenhouse gas emissions and stratospheric ozone depletion, improving water quality in both freshwater and marine systems, while reducing adverse impacts on human health and biodiversity.

government spends around \$7 billion annually on subsidizing nitrogen fertilizer supply, while the fertilizer value of nitrogen pollution wasted to the environment is around \$10 billion. Reducing nitrogen losses therefore offers a win-win scenario with major economic benefits for both farmers, saving on input costs, and for South Asian governments, most of whom subsidise fertilizer supply.

Nitrogen in India

The case of India may help us better understand why the public hears so little about nitrogen (N). Consider the well-known air quality problems of the Indo-Gangetic Plain. Key concerns include emissions of nitrogen oxides (NOx) and ammonia (NH₃), both of which are nitrogen compounds. You may recall that the world's atmosphere is 78 per cent nitrogen, in the form of di-nitrogen (N₂). This is completely inert and provides a stable atmosphere allowing life to flourish. However, during burning processes, such as in vehicle engines, in power stations and during agricultural stubble burning, a small fraction of N₂ is converted to NOx. It is highly toxic and is thought to contribute to both respiratory and coronary diseases.

In the case of smouldering fires, such as associated with field burning, oxygen can be limiting, so that some N₂ reacts to form NH₃. The emission of NH₃ is also increased by 'clean technologies' (eg catalytic and non-catalytic reduction

processes) designed to reduce NOx emissions. Together, the NOx and NH₃ react in the atmosphere to increase levels of fine particulate matter (PM), which exacerbates the health threat associated with air pollution. As citizens of Delhi and other cities breathe polluted air, they are therefore inhaling a cocktail where nitrogen compounds are central. Much of the air pollution across the Indo-Gangetic Plain is emitted into the atmosphere from



rural areas, increasing background levels even before air arrives in the cities. In addition to the concern of seasonal crop stubble burning, most NH₃ emission arises from livestock (urine and manures) and from nitrogen-containing fertilizers. This pollution represents a huge waste of agricultural nitrogen, which could otherwise go to increasing soil fertility, aiding crop and livestock production. Cattle are estimated to be the largest NH₃ source in India, followed by urea-

based fertilizers. However, increasing numbers of chicken and other poultry are contributing to the rising NH₃ emissions and worsening air quality.

The impact of nitrogen air pollution on natural ecosystems in South Asia has been little studied, such as in the Himalayan foothills. This area is one of the major hotspots of global biodiversity. Yet, these hills stand with their feet in some of the highest NH₃, NOx and PM levels on the

planet. Substantial effects on both nature and livelihoods are expected. For example, locals manufacture perfume from epiphytic lichens that are suspected to be highly vulnerable to NH₃ and NOx.

All this even before we start listing the impacts on greenhouse gas emissions and water quality. These are also inextricably linked. For example the Indian Nitrogen Assessment published in 2017 has suggested that wastewater is the fastest growing source of the greenhouse gas nitrous oxide (N₂O), while unused fertilizers and other

N inputs into agricultural soils are currently the largest source. Wasted nitrogen compounds end up leaching into ground-waters, contributing to high levels of nitrate (NO₃⁻), with health concerns for drinking water, as they exceed WHO safety limits. Surface runoffs and wastewater releases into rivers can carry N-pollution to long distances. Ultimately, a fraction of these nitrogen compounds end up in the coastal zone, where it contributes to algal

ANALYSIS

blooms, threatening fish stocks and livelihoods.

The GCRF South Asian Nitrogen Hub

It is fair to say that nitrogen represents what the GCRF calls an “intractable challenge” for sustainable development. One of the core hypotheses of the Nitrogen Hub is that a traditional fragmentation of research and policy across the nitrogen cycle has created a major barrier to change. By bringing all these issues together, the researchers hope to garner a stronger gravity of common cause, which will ultimately catalyse change for a cleaner environment, healthier lives and a stronger economy.

The hub consists of four major reach programmes, the first of which focuses on developing the nitrogen policy arena across South Asia. For example, under Indian leadership and working with the South Asia Cooperative Environment Programme (SACEP), the hub team have already helped bring a draft Nitrogen Resolution to the fourth United Nations Environment Assembly (UNEA-4, March 2019). Whether or not the resolution is ultimately adopted, the key point is that policymakers start discussing why nitrogen matters and how it can help them meet their environmental, economic and sustainable development goals.

The second research programme

of the hub focuses on developing solutions for sustainable nitrogen management. This links agronomic and genetic solutions in agriculture with a focus on reducing nitrogen losses and increasing nitrogen efficiency. The solutions favoured vary widely across South Asia, but all agree that better use of existing nutrient resources such as urine and dung must be a priority if manufactured N inputs are to be reduced with a focus on developing a more Circular Nitrogen Economy. One of the most exciting new developments is the challenge to recapture NO_x and NH₃, which would otherwise be emitted to the atmosphere. With a focus on gaseous adsorption processes, there is potential to open up a multi-billion dollar global market for recaptured nitrogen containing products.

Ultimately, much better public understanding of the Nitrogen Challenge is needed. To address this the third research programme puts special effort to understand the impacts of N air pollution on South Asian forests and on coral reefs. For the latter, well-known coral bleaching is expected to be substantially exacerbated by nitrogen and other nutrient pollution. Together with training across South Asia, and a fourth research programme on the under-pinning of nitrogen flows and impacts, the hub will provide researchers, farmers, civil society, business and policy makers with the tools needed to show how sustainable

nitrogen management can make a difference.

The bottom line is in essence rather simple. The South Asian Nitrogen Hub reflects the recently announced commitment of the International Nitrogen Initiative (INI) to support a global goal to Halve Nitrogen Waste by 2030. Based on global nitrogen flows and market prices, achieving such a goal to halve overall nitrogen losses to air, land and water would be estimated to save around \$100 billion annually. Learning how to do this would offer India, UK and the whole of the South Asian region a major market advantage from taking the lead.

Prof. Mark Sutton of the UK Centre for Ecology & Hydrology, Edinburgh, chaired the International Nitrogen Initiative (INI) until 2018. He directs the UKRI GCRF Nitrogen Hub, a part of the International Nitrogen Management System (INMS) developed by UN Environment and INI, supported through the Global Environment Facility.

Prof. Tapan Adhya of KIIT University in Bhubaneswar, is co-director of the GCRF Nitrogen Hub, while Prof. N. Raghuram of Guru Gobind Singh Indraprastha University in New Delhi, is chair of INI from 2019.

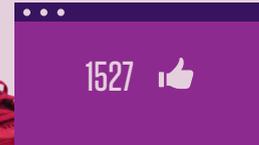


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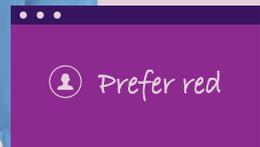
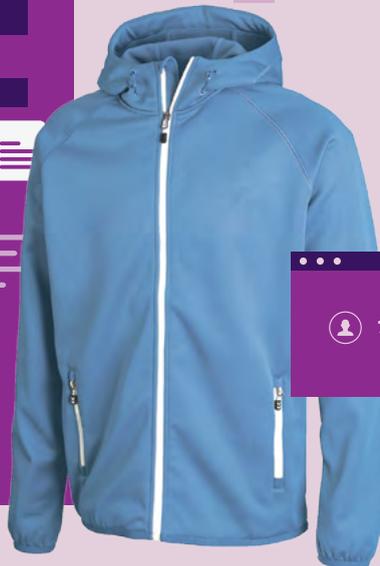
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What does Brexit mean for start-ups?

by Param Shah



An Indian industry expert presents an overview of what Britain's impending exit from the European Union (EU) would mean for the start-up ecosystem.

In June 2016, Britain voted to leave the EU with a belief that the divorce will be a quick and easy return to greatness. With the March deadline around the corner and the uncertainties on the deal, businesses are weighing their options for the post-Brexit scenarios.

Ever since the referendum, there have been rising concerns that a divorce from the EU would drive businesses out of the UK. The Institute of Directors (IoD) released a report recently which confirms this. Out of the 1,200 directors interviewed, 16 per cent have already relocated part or all of their operations overseas. What is more alarming is a further 13 per cent are actively considering doing so due to Brexit.

Given the reaction from the already established businesses, it would be interesting to see how start-ups are gearing up for Brexit. Universally, start-ups are known to be more flexible to policy changes and adjust to unexpected scenarios better than other businesses. Tech start-ups usually are subject to and geared for cross-border gaps and frictions. Hence, better prepared for all possible outcomes post Brexit.

Start-ups are also known to thrive

in chaos. They find opportunities in adversities. This was evident from the success of unicorns like Airbnb and Uber, which started business during the global financial meltdown. Start-up founders master the art of solving problems, and the chaos into which Brexit will likely plunge the UK and Europe will provide entrepreneurs with many opportunities to practice that art. The fact that the UK tech sector raised £6.14bn in 2018 and had more exits than any other European country in itself shows that they are thriving in midst of the uncertainty.

What would a No-Deal Brexit mean for start-ups?

With a no-deal Brexit fast becoming a possibility, start-ups are trying to gauge how it will impact the way they operate. A no-deal Brexit would be the worst possible outcome for British start-ups. Such a scenario would maintain a climate of uncertainty for much longer as the UK would have to negotiate bilateral deals with not just the EU countries but with all its global trading partners. A bad deal would not harm start-ups as much as a no-deal would. If any deal, good or bad, is achieved, it will still provide opportunities for start-ups to create solutions to the challenges arising out of the deal. Another problem that

a no-deal Brexit will pose is a huge shrinking of the pool when it comes to recruiting new talent. According to a report by VC firm Atomico, British start-ups attracted less international talent over the past 12 months and were feeling greater pessimism. The UK's fintech sector, in particular, has been the worst hit because it relies on attracting the best and brightest from across Europe. It has become more challenging to find employees with the right skillset in the fintech sector as EU-based candidates turn away from the UK. But is all lost here for start-ups post Brexit? I have focused here on the worst-case scenario of a no-deal, however, only once the terms of Brexit are known and a deal is agreed that the UK, and London, can remain a hotbed for start-ups.

Focus Start-up

OXSIGHT Ltd is an Oxford University spinout that has developed smart glasses, which improve the lives of people with low vision. These glasses have been inspired by fundamental research into how the brain construes visual information, allowing the wearer to leverage their remaining vision. They are designed to deliver a step improvement in quality of life via intelligent image interpretation technology. The company's long-term goal is to supply the glasses globally.

THE SMALL PRINT

The OXSIGHT technology is the brainchild of company founder Dr Stephen Hicks, who began developing intelligent image interpretation technology in 2010 whilst working at Oxford University's Nuffield Department of Clinical Neuroscience (NDCN). There, his team won several awards to fund their research including more than £1m from the National Institute of Health Research. In 2014, Stephen won Google's Impact Challenge, who then provided £0.5mn to develop the glasses for commercialisation.

OXSIGHT Products

OXSIGHT products have been designed to assist individuals with various eye conditions, including Tunnel Vision and Diabetic Retinopathy. Their glasses will help such people with reading, facial recognition, watching TV and independent navigation. Patients who suffer from extreme low vision will also benefit from the current version of the glasses. Future versions of the product will target other eye conditions including Age-related Macular Degeneration.

A new product, "OXSIGHT Crystal", was launched in the first week of November 2018. Both Prism and Crystal are being supported by a strategic marketing campaign, an interest free consumer finance package and a dedicated customer care team. Working closely with its early paying customers, OXSIGHT says it continues to gather invaluable customer feedback enabling OXSIGHT to fine-tune its business functions and prepare the company for scale-up in the UK and roll out into new territories, starting with India and China in 2019.

OXSIGHT USP

Various approaches, interventions and devices are in place or are being developed worldwide to help the blind and partially sighted. In general, the ideal outcome for most visually impaired individuals is a medical or surgical reversal of sight loss. However, cataract operations aside, there are no cures for any of the major eye conditions. OXSIGHT



glasses: (a) are aesthetically sympathetic (b) are comfortable to wear, (c) easy to use and (d) have state-of-the-art functionality allowing users an enhanced experience and benefits.

UNIVERSALLY, START-UPS ARE KNOWN TO BE MORE FLEXIBLE TO POLICY CHANGES AND ADJUST TO UNEXPECTED SCENARIOS BETTER THAN OTHER BUSINESSES.

Rapid Growth in Visual Impairment

Most visually impaired people are aged 65 years or older. It is estimated that there is a per-decade increase of up to 2 million persons over 65 years with visual impairments. This group is growing faster than the overall population. The Royal National Institute of Blind People (RNIB) estimates that the number of blind people is likely to double. Based on this revised figure the population globally is expected to be at least

100m over the next seven-eight years. OXSIGHT Limited says is committed to making a difference. It aims at developing a strong ecosystem and building a thriving community that empowers and supports visually impaired people. It has developed and continues to invest heavily in producing a range of technologies and services to enhance the vision of people with sight loss.

Now, nearly three years since its formation, the company's strategic focus has naturally started to progress towards a broader based offering, namely: a digital eye care platform to include not only smart glasses and smart software but also aspects of artificial Intelligence and intelligent diagnostics.

Dr Param Shah is Director – UK, Federation of Indian Chambers of Commerce & Industry (FICCI).

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Matching up Kentucky businesses with India

by Erran Persley

Kentucky, a state nestled between the US Midwest and South, sets out its credentials as an attractive investment destination for Indian companies looking to expand in the US.

In Kentucky, a state situated as an ideal gateway between the US Midwest and South, we've gained an outsized and often globally recognised reputation for our iconic products, including Chevrolet Corvettes, thoroughbred racehorses, bourbon and, of course, Kentucky Fried Chicken.

But beyond those headlining brands, the Commonwealth of Kentucky stands out as a powerhouse in engineering and manufacturing – particularly in metals, plastics, pharmaceuticals, automotive and aerospace products. And it offers the world a surprising range of consumer-focused and industrial products from large corporations and small

businesses alike. Those Kentucky-made products include cranes and forklift trucks, playing cards, mini satellites, bowling balls, quarry tile, industrial production robots, pet food and the Gorilla Glass found on most of today's mobile phones and tablets.

Within the Kentucky Cabinet for Economic Development, one of our ongoing efforts focuses on matching Kentucky-based manufacturing, service and technology employers with new global markets. Doing so increases our state's annual exports, helps create new jobs at the local level, and provides nations like India with more access to high-quality and oftentimes original products.

Kentucky's global trade has increased significantly in the last several years and set new records. In 2017, the state exported \$31.9 billion in goods and services, up a substantial 5.8 per cent from the year prior and nearly 12 per cent over two years. Our state's top exports include aerospace products, motor vehicles, pharmaceuticals and medicines, and motor vehicle parts.

In terms of individual nations, Kentucky exports to 199 countries and India ranks in our top 25 largest markets. This year through August, Kentucky exported \$99 million in goods and services to India, up nearly 26 per cent from the same months in 2017. That puts Kentucky well on track to outpace the \$128 million exported

HOTSPOT

across the full 12 months of 2017.

Kentucky's top products sent to India include several of our most globally in-demand goods overall; pharmaceuticals and medicines, resin and fibres, basic chemicals, aerospace products, hardware and computer equipment.

It may be no surprise that several of Kentucky's key manufacturers are owned by India-based corporations. Those include Amneal Pharmaceuticals, UFLEX Ltd, Piramal Enterprises Ltd, and major aluminium producers Novelis, Aleris and Logan Aluminum, all owned by Hindalco Industries, part of the Aditya Birla Group.

Our Cabinet's leadership plans a trip to India early next year in partnership with the US India Business Council and the US Chamber of Commerce. While we're still determining the schedule, route and the various stops along it, our overall goals are clear. Our cabinet's trip, in addition to strengthening diplomatic ties between India and Kentucky, will seek to make inroads for Indian companies to invest and create jobs in our commonwealth and lay key groundwork for relationships that will help Kentucky companies to export goods and services to India.

Programs, organisations and services

Among our Cabinet's key partners in growing the commonwealth's exports is the World Trade Center Kentucky. It's an organisation where I'm privileged to serve as a recently appointed board member. And this year, the World Trade Center Kentucky has charted an increase in local companies interested in international trade certification.

Given the current atmosphere of tariffs, trade negotiations and companies and industries seeking exemptions, companies see value in the World Trade Center Kentucky's International Trade Certification class. By enrolling select employees, companies can gain current-market knowledge and understand how to

best serve their clients. The three-day course is designed specifically for trade practitioners and is taught by experts in banking, tax, legal, customs compliance, market intelligence, freight forwarding, international marketing and customs brokerage.

Another important organisation in connecting Kentucky companies with international buyers is the Kentucky Export Initiative. KEI is a partnership of businesses, government agencies and organisations that streamlines and elevates the state's efforts to help Kentucky businesses reach global markets.

OUR STATE'S TOP EXPORTS INCLUDE AEROSPACE PRODUCTS, MOTOR VEHICLES, PHARMACEUTICALS AND MEDICINES, AND MOTOR VEHICLE PARTS.

Through KEI, we are helping businesses recognize opportunities associated with exporting. For individual companies, international trade can bring quicker growth, extend product life cycles and add new markets for goods and services.

One of the most widely used and flexible tools KEI offers to companies interested in exporting is our State Trade Expansion Program, or STEP. The program, administered by our Cabinet and awarded by the US Small Business Administration, reimburses up to \$5,000 in trade-related expenses for qualifying small businesses.

STEP grants are designed to provide companies with the resources, connections and knowledge necessary for exporting. The program also helps increase exports for Kentucky companies already selling internationally. Creating and cultivating international demand for Kentucky-made products and services spurs business growth,

investment and job creation across the state.

As we see it, small businesses seeking to expand their customer base, selling abroad is an important channel to consider. Our Cabinet encourages entrepreneurs and business owners to look into the successes of STEP-assisted companies and decide if the program is right for their businesses.

Allowable STEP grant expenses include:

- Airfare
- Meals and lodging
- Parking, baggage and currency exchange fees
- Ground transportation
- Shipping fees for product samples to international prospects
- Trade show registration fees, booth space and mission fees
- The Gold Key Matching Service
- Export training
- Stipends for website translations into foreign languages
- Meeting space audio and visual
- Compliance

As our Cabinet and state move forward with strengthening economic and diplomatic ties with India's corporations, industries and governmental agencies, I encourage interested company representatives – whether in India or Kentucky – to please reach out to the Cabinet and our partner organisations.

Erran Persley is the Executive Director for International Affairs and Business Development for the Kentucky Cabinet for Economic Development. He is responsible for designing, developing and implementing the state's strategy for attracting and retaining foreign direct investment (FDI).

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India-Pakistan: A pessimistic scenario, at least in the short term

by Gareth Price



Our strategic expert traces the origins of the ongoing tensions between India and Pakistan and weighs up some distant hope of improvement in relations between the South Asian neighbours.

The pattern of terrorist attack in India by a group, at best, tolerated, at worst, actively supported, by the Pakistani state, followed by some degree of military conflict is depressingly familiar to followers of South Asia.

Sadly, the impasse between India and Pakistan finds supporters in both countries. The pre-eminent position of Pakistan's military is at least in part predicated by the existential threat that India is seen to pose. India did, of course, assist in the bifurcation of Pakistan in 1971, when East Pakistan split off to form Bangladesh. And any Indian voices raised in support of Baluchi independence, for instance, are seen to confirm that India remains committed to the further destruction of Pakistan.

Many in India would prefer, if they have to have an adversary, for China to be that threat. But for now, Pakistan is seen to serve as a proxy for China, which many believe uses Pakistan to prevent India's rise, thereby ensuring China's pre-eminence in Asia.

The only alternative to continued hostility, if not outright conflict, would be dialogue, but it is more than a decade since the last serious talks

took place. That process ended with the 2008 Mumbai attacks, and Pakistan's failure to take action against the alleged perpetrators continues to undermine the relationship.

PART OF THE PROBLEM WITH DIALOGUE IS THAT BOTH COUNTRIES FRAME THE CHALLENGES TO THEIR RELATIONSHIP DIFFERENTLY.

Part of the problem with dialogue is that both countries frame the challenges to their relationship differently. For India, Pakistan's approach to terrorist groups operating against India from Pakistan is the priority. This issue, though, joins others which reinforce the point that Pakistan is untrustworthy. In particular, India is highly sceptical of the role Pakistan plays in Afghanistan. This scepticism of Pakistan's motivations leads to a conclusion that talking to Pakistan is a waste of time. Talks have been held in the past, and Pakistan has not followed through and taken the requisite action.

Pakistan's view, however, is that the reasons for the poor relationship stem from the disputed status of Kashmir, since 1947 divided between the two countries. While India argues that the status of Kashmir has already been resolved, for Pakistan it remains a sore left-over from Partition, and a pre-requisite for improved relations.

To circumvent this intransigence, from the 1990s until 2008 the two countries tried to engage in a "composite dialogue", discussing a range of issues, including Kashmir, at the same time. The logic made sense, but the lack of progress on the issue of Kashmir prevented deepened engagement in other fields. In the absence of any notable trust-building successes on other issues, the two countries plunged quickly into hostility following the Mumbai attacks, and have remained in such a state ever since.

Are there any reasons for optimism? Probably not in the short-term, but following the Indian General Election, due to be held by May this year, one of the occasional windows of opportunity may open. The proximity of the Prime Minister of Pakistan, Imran Khan, to his country's military is one possible reason. His openness



for dialogue, and for the relationship to be reset, is positive. And while the military may not be committed to peace with India, predicating its prominent position within Pakistan on the existential threat from its neighbour, it does not have an adversarial relationship with Khan. Previous efforts by civilian leaders in Pakistan to open up to India have been used by the military to undermine their leadership. However, whether Pakistan feels able to visibly crack down on militants which it certainly used to nurture – a clear pre-requisite for engagement – remains the unknown. Occasionally, some militants have been put under house arrest, then quietly released. To gain India's trust would certainly require something more substantive.

A second possible cause for optimism is India's broader regional engagement. Intuitively, if India has a poor relationship with Bangladesh and Nepal, there is little reason to suppose it could have a stronger relationship with a country with which it has gone to war on several occasions. But India is gradually learning the requirements to be a benevolent regional hegemon. While there remains scope for much more, various energy trading arrangements with Bangladesh and Nepal, along with Bhutan, provide some form of a template for broader regional engagement. Third, and possibly less convincing,

is the Nixon visiting China theory. That is, that a more hardline Hindu nationalist government offers the best hopes of securing a deal with Pakistan. There was little evidence of this in Narendra Modi's first term in office, but were he to secure re-election, particularly following his recent demonstration of resolve against Pakistan, he may be in a better position to engage. And while the Muslim-majority state of Kashmir is important to the secular Congress Party – secular meaning different religions co-existing, rather than the Western conception – it has less importance to the BJP's agenda.

IN THE ABSENCE OF ANY NOTABLE TRUST-BUILDING SUCCESSES ON OTHER ISSUES, THE TWO COUNTRIES PLUNGED QUICKLY INTO HOSTILITY FOLLOWING THE MUMBAI ATTACKS, AND HAVE REMAINED IN SUCH A STATE EVER SINCE.

The zero-sum construction of the relationship between India and Pakistan presents significant opportunity costs for both countries. Bilateral trade – much of which at present is conducted through the Gulf – has scope to rise by tens of billions of dollars, according to

numerous reports. Before Partition the vast majority of goods made in what became Pakistan were sold in what became India. Yet current trends are for what little trade there is to be reduced.

Further, issues that were previously (relatively) positive are being securitised. The Indus Waters Treaty survived a number of conflicts. Yet now the threat of curtailing water has become part of India's armoury, rhetorically at least, against Pakistan.

But the low base of the relationship can also enable relatively easy wins to take on a greater significance. In the mid-2000s, "cricket diplomacy" allowed a degree of cross-border interaction which facilitated some degree of progress in political negotiations. In similar vein, Imran Khan's quick decision to repatriate a captured Indian pilot may, in time, be seen as a moment at which the relationship started to be recalibrated.

That said, the challenge of improving the relationship vastly outweighs that of undermining it, as various Islamist groups have proven time and again.

Dr Gareth Price is Senior Research Fellow, Asia-Pacific Programme, at Chatham House – the Royal Institute of International Affairs – in London.



Israel is a global innovation powerhouse

Ziva Eger has been serving as Chief Executive of Foreign Investments and Industrial Cooperation Authority at the Israeli Ministry of Economy and Industry since October 2014. In this interview, Eger delves into Israel's investment promotion credentials and why Indian companies can find the perfect fit in the region.

What makes Israel a hotspot for investments from India?

First, like investors from other countries, Indian companies are attracted to Israel due to its position as a global innovation powerhouse. Israel has a very unique ecosystem that includes highest quality academic research, highest VC per capita ratio globally, highest investment in R&D as percentage of GDP in the world, and a powerful mix between cutting-edge tech start-ups and presence of hundreds of multinationals representing a majority of Forbes 500. Secondly, Israel has special capabilities with regards to sectors that India has a special need, such as agri-tech and water tech.

And, diplomatic relations are at an all-time high.

ISRAEL HAS SPECIAL CAPABILITIES WITH REGARDS TO SECTORS THAT INDIA HAS SPECIAL NEED, SUCH AS AGRI-TECH AND WATER TECH.

What are the hotspot regions for Indian investments within Israel?

Israel is a very small country – two hours from Tel Aviv you are on the edge of the country. That being said, the Israeli government has special incentives for investment in its southern and northern region in

terms of capital and R&D and taxation incentives.

What is the state of the India-Israel relations that impact the economic tie-ups?

There is a renaissance in Israel-India relations since Prime Minister Modi came to power in 2014. In recent years, high-level officials from both sides have met each other in ranking and frequency that were never seen before.

In February 2015, was the meeting of Ministers of Defence in Delhi; in October 2015, the Indian President was in Israel; in November 2016, the Israeli President was in India; in January 2017, PM Modi was in Israel for the first time; and in January 2018,

“Israel India bridge to Innovation” is another programme run by the Israel Innovation Authority to support Israeli companies in pilot installations of their products in the Indian market.

PM Benjamin Netanyahu was in India.

What are some recent big announcements/collaborations facilitated through the ministry?

In January, an economic summit was convened alongside the visit

field of agri-tech, water-tech, energy, communications and medical devices. “Israel India bridge to Innovation” is another programme run by the Israel Innovation Authority to support Israeli companies in pilot installations of their products in the Indian market. This July, six Israeli start-ups with

investing in Israeli companies. We also see investment in water equipment by companies such as Jain Irrigation’s acquisition of NaanDan, or DEL investment in Rivulis. Recently, we also saw some investment in heavy industries in Israel such as Saiskent investment



of PM Netanyahu to India, with conference in New Delhi and Mumbai with the presence of high-level economic delegation of Israeli companies. Within the framework of the conference Invest India and Invest in Israel have signed an MoU for cooperation between the two investment promotion agencies.

The I4F fund, a \$40-million joint R&D fund between the Israeli Innovation Authority and the Indian Global Innovation & Technology Alliance (GITA). Its first call for proposals was issued in 2018, and four joint projects were already approved in the

innovative technologies in the fields of healthcare, agriculture and water management have made it to the final stage of the programme, out of 150 applications.

What are some key sectors of focus, over and above the strong defence cooperation?

We see activity in three main directions: The majority of investments and also the earlier investments were in the software/ ICT sector. There were Indian companies such as L&T, Infosys, Tata Consultancy Services acquiring or

in two metal equipment factories in Israel, and Wipro’s acquisition of HR Givon, an aerospace metal components company.

Do you see any hurdles to closer economic ties?

As is very common in the beginning of growing economic relations, it takes time to overcome cultural differences and gain mutual understanding and trust. However, we have all the reasons to believe that as the trend grows, these differences will become a source for opportunity and synergies and less for obstacles.

Foreign firms affirm long-term vision for India

Investments pour in from Germany, Taiwan and Bahrain.

Investcorp to triple India assets to \$1.5bn

After acquiring the private equity and real estate business of IDFC Alternatives, Bahrain-based global alternative asset manager Investcorp is looking to triple the assets under management to \$1.5 billion by 2022 from \$450 million right now. The plan underlines the continued attractiveness of the Indian market among global investors.

The investment firm, with over \$22 billion under management, also said that it will look at areas like warehousing and commercial real estate as well as consumer technology companies.

Investcorp announced the acquisition of the IDFC Alternatives business after more than a year of discussions. IDFC, which recently merged with non-banking finance company (NBFC) Capital First, decided to exit the business and also sold off the infrastructure fund. The entry into the Indian market is part of the strategy to ramp up assets under management of the firm to \$50 billion in five-seven years.

Real estate will likely form around 60 per cent of the \$1.5-billion assets target. Investcorp also plans to set up an NBFC besides the fund structure for real estate investments. It aims to continue the existing PE strategy of betting on the consumption story in the country and focusing on mid-market companies.

Rishi Kapoor, CEO, Investcorp, said: "But instead of the typical 20 per cent stake, we will now look at higher stakes of around 40 per cent in these companies. Our average investment size will also go up."

Allianz invests \$200mn in Edelweiss platform

Allianz Investment Management, part of German insurer Allianz Group, has invested \$200 million (Rs 1,420 crore) in a private debt platform of Indian financial services group Edelweiss.

This investment is the first private-debt commitment by Allianz in India's stressed assets segment, Edelweiss said in a statement.

Allianz, one of the world's largest insurers, has been quickly expanding its activities in India. In November, Allianz and Asian logistics real estate developer ESR Group, backed by private equity firm Warburg Pincus, set up a \$1-billion platform to invest in India's logistics sector. The same month, the property investment unit of Allianz acquired its first real estate asset in India when it bought a commercial asset in Pune.

For Edelweiss, this is its second partnership with a global institutional investor in the stressed assets and specialised corporate credit segment. In late 2016, Edelweiss tied up with Canadian pension fund manager Caisse de depot et placement du Quebec (CDPQ) to invest in stressed assets.

Rashesh Shah, chairman and CEO, Edelweiss Group, said: "Institutional investors are increasingly looking at private debt strategies in India more than ever before."

He said the \$1.3-billion Edelweiss India Special Asset Fund-II, which it raised last month, showcases the company's leadership in the private debt industry.

Wistron, Foxconn plan to invest \$1bn in India

Global electronics contract manufacturers Wistron and Foxconn plan to invest a combined \$1 billion (Rs 7,500 crore) over five years to expand their production facilities in India.

Wistron is expected to begin manufacturing iPhone 8 in the country, while Foxconn's plans are to support higher levels of manufacturing of existing clients such as Xiaomi and Nokia phones.



Between the two Taiwanese companies, Wistron has applied to the government to invest \$0.7 billion (Rs 5,000 crore) and Foxconn \$0.35 billion (Rs 2,500 crore) under an incentive package that will likely give these companies benefits of \$140 million (Rs 1,000 crore) and \$70 million (Rs 500 crore), respectively.

The government has so far approved as many as 193 of the 421 applications received under the modified incentive package scheme (M-SIPS), of which 144 have started incurring investments totalling \$1.3 billion (Rs 9,252 crore).

Wistron is looking to move some of its PC, Internet of Things, medical and cloud service businesses to India. The company has two plants near Bengaluru that assemble Apple's iPhone SE and iPhone 6S devices for sale in India. The company estimated in its proposal that the investment would provide employment to over 10,000 people.

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India-Scotland ties in need of revival

by Poonam Gupta

An entrepreneur based in Scotland traces some of the underlying strengths that India can tap into to deepen ties with the region.

The economic relationship between India and Scotland can be traced back to the 17th century, when the Scottish reached India as the first batch of East India Company's officers. They fell in love with the rich and diverse India. They contributed at the time by starting Tea and Rubber Plantations, Roads and Rail links and infrastructure development, exploring flora and fauna and documenting them. The Scottish people mostly settled down in eastern and southern India – in Kolkata and Chennai – and then to Mumbai.

Today, we need to re-establish and revive the economic relationship between the two beautiful countries – India and Scotland – which can be mutually beneficial to both economies. India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP grew 7.3 per cent in 2018-19 and is expected to grow at an average rate of around 7.5 per cent.

India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups, with about 1,400 new start-ups being founded in 2016, according to a report by India's tech industry body NASSCOM.

India's labour force is expected to touch 160-170 million by 2020, based on the rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by other industry bodies and think tanks like ASSOCHAM and Thought Arbitrage Research Institute.



India's foreign exchange reserves were \$393.29 billion in the week up to December 21, 2018, according to official data from the Reserve Bank of India (RBI).

On the other hand, the economy of Scotland is the 43rd largest in the world with an estimated nominal gross domestic product (GDP) of up to £152 billion in 2015. As of

2016, Scotland, if it were a separate country, would be the twelfth-largest economy in the 28-member European Union (EU).

Scotland was one of the industrial powerhouses of Europe from the time of the Industrial Revolution onwards, being a world leader in manufacturing. This gave Scotland a legacy in the diversity of goods

and services ranging from textiles, whisky and shortbread to jet engines, buses, computer software, ships, avionics and microelectronics, as well as banking, insurance, investment management to other related financial services. In common with most other advanced industrialised economies, Scotland has seen a

Scotland's strengths include:

- A highly educated and skilled workforce
- Strong culture of research, innovation and creativity
- Easy connections to global markets including the UK, Europe and America

On the other hand, total investment by Scottish enterprises is estimated at £1.1 billion. Scottish investments in India include that of Sgurr Energy, an engineering consultancy firm specialising in renewable energy with its office in Pune; Weir Group's acquisition of valve division of BDK Engineering Industries in India;



decline in the importance of both manufacturing industries and primary-based extractive industries. This has, however, been combined with a rise in the service sector of the economy, which has grown to be the largest sector in Scotland.

Scotland's economy is on the whole run by the UK government and the Scottish government via the UK Treasury department, respectively headed by the Chancellor of the Exchequer and the Cabinet Secretary for Finance, Constitution and Economy, representing those two administrations which are responsible for reserved and devolved matters, respectively.

- Strong connected infrastructure
- Lower operating costs – up to 40 per cent lower than London
- Business friendly environment, including one of the lowest tax rates in the G20
- Envious lifestyle and work/life balance

Investment from Scotland to India

According to India's Department of Industrial Policy and Promotion (DIPP), the UK is the fourth-largest inward investor in India. The UK now ranks second among the G20 countries and accounts for around 8 per cent of all foreign direct investment (FDI) into India for the period April-December 2016.

architecture and design from RMGM Architects involvement in 40 projects in Delhi and Kolkata.

Among others include Touch Bionics' marketing of bionic limbs in India, Menzies Aviation Cargo's handling of services at Bangalore and Hyderabad airports, and Aggreko's acquisition of the power rental business of Cummins India. In addition, several Scottish Oil and Gas Companies, like Wood Group, Clyde Pumps, Petrofac, SGS Waterweights KBR and Selex Galileo, are active in India.

Investment from India to Scotland

India is an important investor in Scotland, with 10 Indian companies

REGION FOCUS

having made investments of £700 million in the last five years, providing around 3,500 jobs.

Further, currently 17 Scottish higher education institutes enjoy academic and research links with Indian universities and thousands of people from India choose to study in Scotland each year to further their career. These partnerships often involve business links as well. The University of Dundee and Bangalore BioCluster work together to discover new drugs and tackle antimicrobial resistance, and the Scottish Association of Marine Science works closely with Annamalai University and Amity University.

The road ahead

Despite random bilateral investments, Scotland only attracts 3 per cent of Indian investments in the UK. Most of the Indian companies prefer London, due to better connectivity, financing and networking capital. There are no Scotland-specific trade figures (especially import) and data remains elusive.

The Scottish Development

International (SDI) is focusing on the Scottish Companies Partnership financing and Investment. They have four representative offices in India, though they need to take a robust step and mostly should focus on the small and medium enterprises (SMEs). There should be more clarity on procedure and taxation. The Scottish government should look at India as a huge opportunity market post-Brexit and should not miss the bus.

INDIA IS AN IMPORTANT INVESTOR IN SCOTLAND, WITH 10 INDIAN COMPANIES HAVING MADE INVESTMENTS OF £700 MILLION IN THE LAST FIVE YEARS, PROVIDING AROUND 3,500 JOBS.

The ease of doing business in India improved notably after a series of reforms have made it easier for companies to get construction permits, pay taxes and trade across borders, according to the latest World

Bank analysis. In 2018, India jumped 23 spots from a year ago to 77 out of 190 countries on the ease of doing business ranking. It was also among the top 10 most improved economies, according to the "Doing Business 2019" report. However, India also needs to work on a volatile Rupee, red-tapism, complex decision-making process and trust deficit amongst investors.

Both countries need each other, Scotland's expertise and India's human resources can bear beautiful economic fruits.

Poonam Gupta is a Scottish-Indian entrepreneur and philanthropist who founded PG Paper Company Ltd in 2003, which today exports to 55 countries worldwide. She was named Businesswoman of the Year at the Business Women Scotland and Women's Enterprise Scotland Awards 2018.



India steady on foreign acquisitions

Material systems and tech among popular sectors for Indian companies.

R Systems acquires Innovizant

Listed software services firm R Systems International Ltd has acquired US-based digital services company Innovizant LLC for an undisclosed amount.

In a stock market disclosure, R Systems vice president Ramneet Rekhi said that the acquisition has strengthened the company's digital practice with niche data analytics competencies and a marquee customer base in the financial services industry.

The acquisition has been made via the company's US-based wholly-owned subsidiary R Systems, Inc.

R Systems further said that Innovizant's facilities in Chicago will be used as a Center of Excellence, which will focus on developing new business models that use technologies such as Internet of Things (IoT), artificial intelligence (AI), data science, machine learning and robotics.

Innovizant principal partner Raj Gupta will now serve as president-digital business at R Systems.

Founded in 1993 by Satinder Singh Rekhi, R Systems provides software product engineering, digital and knowledge services and solutions across verticals including banking and finance, telecom and digital media, retail and e-commerce, healthcare, manufacturing and logistics.

Dalmia-OCL buys Germany's GSB Group

In its first international acquisition, refractory or heat-resistant material business Dalmia-OCL

said it has bought Germany-based GSB Group GmbH operating in the same segment for \$17 million (Rs 122 crore at current exchange rate).

Dalmia-OCL, a unit of Dalmia Bharat Group, makes refractories or heat-resistant substances that are used, among other things, for lining metallurgical vessels that play an important role in steel production.

Sameer Nagpal, chief executive of Dalmia-OCL, said the acquisition comes at a time when the European market is consolidating and opening up opportunities for a company like theirs. He said, "Dalmia-OCL's end-to-end refractory portfolio and GSB's access to European steel customers will make this combination a strong competitor in Europe."

Nagpal added that the acquisition will also make Dalmia-OCL one of the specialised manufacturers of refractories, for cleaner steel production, a focus area for Indian steelmakers as well.

GSB has production sites at Bochum in Germany and Bhilai (Chhattisgarh) in India.

Dalmia-OCL claims to be the second-largest refractory company in India, with a production capacity of 250,000 tonnes a year.

Dalmia-OCL offers refractories in over 40 countries, catering to various industries including iron and steel, cement, glass, non-ferrous metals, energy and petrochemicals. It has four manufacturing plants in India and one in China.

Lohia Group acquires Israeli company

Kanpur-based Lohia Group has acquired an Israeli company, Light and strong Ltd, specialising in aerospace and military carbon fibre and glass fibre composite components production, with the aim of becoming a leading supplier for global original equipment manufacturers (OEMs) in the aerospace and defence sector.

The Group's director, Anurag Lohia, said that the acquisition would help establish a firm international footprint for the group and in further growing new markets.

He added, "We believe this marks the beginning of our growth in this sector on a global scale. We will continue to look at other synergistic opportunities in this space towards our aim to be a key participant in the global defence and aerospace domain."

"The firm's established pedigree in military technology manufacturing is a synergistic fit with Lohia Group's decades long expertise in large scale manufacturing across sectors."

With its operations in India supporting its Israeli facilities, the Group looks at strengthening the Make in India initiative as well as making Israel a key export hub to the American and European markets.

Lohia said: "With these facilities serving as a strategic base for customers in those markets, the Group will utilise Israel's well-known prowess in aerospace R&D and engineering to leverage its expertise globally."



Gender equality is absolutely critical to global business

Neha Narkhede is the Co-Founder and Chief Technical Officer (CTO) at Confluent, an event streaming platform. As one of the original authors of Apache Kafka, an open-source stream-processing software platform, she led the streams infrastructure at LinkedIn. In this interview, the US-based entrepreneur explains the vision behind Confluent, challenges of setting up her company, gender equality and being driven by her Indian roots.

Please explain the concept behind Confluent and real-time data.

Confluent provides the industry's only enterprise-ready event streaming platform, driving a new paradigm for application and data infrastructure where enterprises leverage data as a continually updating stream of events rather than as discrete snapshots. Over 60 per cent of the Fortune 100 leverage event streaming, and with Confluent, customers gain a single platform for real-time and historical events, enabling them to build an entirely new category of event-driven applications as well as build a universal event pipeline.

Confluent is founded by the original creators of Apache Kafka®,

which is the world's leading event streaming platform, and one of the most popular open source projects with a large and thriving developer community. Developers everywhere are using Confluent and Apache Kafka as the new foundation for all their company's data to be able to create event-driven applications that keep their business competitive in this data-driven world.

What brought you to the point of co-founding this company?

Until now, organisations have been trained to think of data the wrong way. Extensive research and innovation went into making databases fast, scalable and reliable, which enabled companies to store and start to make use of ever-

growing datasets. However, analysing this static data meant batch processing after events occurred, and companies were quickly falling behind. Messaging, ETL and data integration technologies rose to fill the gap between batch processing and real-time, but predated the architecture standards of modern distributed systems.

In order to stay competitive and meet customer expectations, businesses today need the full picture of historical data as well as visibility into events taking place in real time. Event streaming solves this fundamental business problem and changes this paradigm to see data as a continually updating stream of events, enabling organisations to build an entirely new category

of event-driven applications, as well as a universal event pipeline. This architecture is central to every company's path to be competitive in the modern world.

We envisioned this paradigm shift and its impact on the industry while working at LinkedIn, created Apache Kafka that went on to become the new foundation for all data in virtually every business vertical. Only four years ago, we started Confluent. Our products, Confluent Platform and Confluent Cloud, enable companies to use an event streaming platform as the centre of the business. Our customers include fantastic brands like JPMorgan Chase, Capital One, Lyft, AUDI, and many others across virtually every business vertical. I couldn't be more excited about what the future holds for us.

How do you see the current debate around big data and data privacy shaping up?

There is an important nuance around the difference between data privacy and data security. The former is a regulatory problem enabled by the latter, which is a technology problem. Data privacy is an important topic and one that should be regularly discussed so that customers, clients, employees or other relevant parties are aware of what information is and isn't being collected.

But when it comes to technology platforms that help you manage your data, the focus is on developing advanced security capabilities to enable companies to implement data privacy regulations using the technology.

What are some of your top tips for someone eyeing a career in the field of data management?

- Have a growth mindset: accept that you don't have a fixed skillset. You can evolve your skills and learn on the job. I try to use that to counter the imposter syndrome (the fear of being

exposed as a fraud and doubting your accomplishments) and convincing myself instead that I will do what it takes to learn and grow. This is especially important in the field of technology where change is constant and things evolve at a rapid pace.



DATA PRIVACY IS AN IMPORTANT TOPIC AND ONE THAT SHOULD BE REGULARLY DISCUSSED SO THAT CUSTOMERS, CLIENTS, EMPLOYEES OR OTHER RELEVANT PARTIES ARE AWARE OF WHAT INFORMATION IS AND ISN'T BEING COLLECTED.

- Finding mentors and having role models are essential for success. I've consistently modelled the behaviours of people that I look up to. You can also save a lot of time by learning from the mistakes of others.
- Being persistent. It's never easy to enter a new career path and you'll have to fight many battles. Having persistence and developing the mental stamina to keep going has been helpful to me.

How important is the debate around gender equality at the top tiers of global businesses?

It is absolutely critical to reach gender equality, first at the top tiers of global businesses, and then at every level. In my experience, I've

seen that change comes from the top. When management teams and leaders believe in and establish equality, and are actively doing things to change company dynamics, that's when things change for the better. It's up to today's leaders to make sure we're mentoring women and helping them get hired for leadership positions.

What does being a Global Indian mean to you?

My upbringing in the urban middle class back in India has shaped me in really fundamental ways through my journey so far. My parents brought me up to believe in myself, work hard, become independent, and encouraged me to develop high ambitions.

In urban India, when I was growing up, there was a lot of focus on education and the importance of using it to escape poverty. When I was a young girl, Indian role models – like Indira Gandhi, Kiran Bedi, Indra Nooyi – played a critical role in building my deep-rooted belief that I, just like the role model that looked like me, could achieve my goals of becoming a leader. I grew up believing women could run countries, police forces, kingdoms and win wars.

So, I worked hard and focused on education, applied for graduate studies in the United States, immigrated to a completely new country, and started a company in Silicon Valley. Through all that, my Indian values have helped me embrace and adjust to a new culture in the United States, work hard and earn my way through the system to succeed as an entrepreneur. And most importantly, stay grounded throughout the journey in my middle-class values.

I believe that Global Indians have a secret leverage in our blend of experience and value system, and we will see many more Global Indian CEOs, executives, engineers across every industry in the years to come.



India helps drive up Scotch whisky export boom

by *India Inc. Staff*

One of Scotland's premier exports, its whisky, continues to prove hugely popular in the Indian market, with latest figures placing India among the top three markets for the tipple with 112.6 million bottles sold in 2018.

India was among the top export destinations for Scotch whisky in 2018, a year during which the export value of Scotland's popular tipple grew by 7.8 per cent to hit a record £4.70 billion.

Official figures from the UK's Her Majesty's Revenue and Customs (HMRC) analysed by the Scotch Whisky Association (SWA) have revealed that India remains among the top 10 export destinations for whisky produced in Scotland. The Indian market was among the top three in terms of volume, with 112.6 million bottles sold to India in 2018, compared to top-ranked France at 187.8 million bottles and second-placed US at 136.8 million bottles. In terms of value, India came in at £138.8 million, up 34.1 per cent compared to 2017.

"2018 was another year of strong export growth for Scotch Whisky, attesting to its enduring popularity in different countries and among cultures right across the world. Quite simply, Scotch Whisky remains the whisky everyone wants to drink," said Karen Betts, Chief Executive of the Scotch Whisky Association.

IT IS IMPORTANT TO OUR INDUSTRY, AS TO MANY OTHERS, THAT THE UK DOES NOT LEAVE THE EU WITHOUT A DEAL AT THE END OF MARCH.

"A key driver for global growth is the growing market for premium spirits. Scotch Whisky is in a great position

to take advantage of this given its unrivalled reputation for quality, authenticity and provenance," she said.

However, the whisky association chief warned of risks posed by Britain's impending exit from the European Union (EU) in March, at a time when EU member-countries like France, Germany and Spain are among the leading export markets for the spirit. The EU is the largest region for Scotch exports, accounting for 30 per cent of global value and 36 per cent of global volume.

She said: "These figures underscore the strength of the Scotch Whisky category, which has continued to grow despite the challenges posed by Brexit and by tensions in the global trading system.

"However, the industry does not take continued growth for granted. We operate in a competitive global marketplace and so a competitive business environment in Scotland and across the UK is vital to Scotch whisky's success."

The association called for fair and balanced regulation and taxes, including excise duty, to give distillers the confidence to invest in future growth. It said the UK and EU must agree to an open and positive future relationship, which delivers frictionless trade with the EU, and the UK must also secure ambitious trading relationships with key markets around the world.

"In that context, it is important to our industry, as to many others, that the UK does not leave the EU without a deal at the end of March. We are urging the government and Parliamentarians to work together constructively and pragmatically to ensure that an agreement is reached as quickly as possible," Betts added.

In 2018, the number of 70cl Scotch bottles exported hit record levels, growing to the equivalent of 1.28 billion, up by 3.6 per cent over the previous year.

The figures reveal that the US became the first billion-pound export market for Scotch whisky, growing to £1.04 billion last year and blended Scotch whisky underlined its position as the bedrock of the industry with global exports of £3.04 billion. There was further growth in exports of Single Malt Scotch Whisky, growing by 11.3 per cent in 2018 to £1.30 billion.

The Scotch Whisky Association said the country's Scotch whisky industry directly employs 10,000 people in Scotland, including 7,000 in rural areas, and supports a further 30,000 jobs across the UK. The product is heavily export-oriented, with 175 markets worldwide and 41 bottles shipped overseas every second in 2018.



harvest last year. It follows a 400 per cent rise in sales as a result of growing demand from Europe and the US for UK-produced fizzy wines, previously a reserve of the French region of Champagne.

Nyetimber is already stocked in some venues in Singapore and Hong Kong but the international rollout will take it into new markets in Japan and India.

"Our wines are now seen as genuinely world-class and are competing with the very best from France and the rest of the world," said Eric Heerema, who acquired Nyetimber in 2006.

Last year's record harvest of 14 million bunches of grapes in Britain produced more than a million bottles. In 2018, for the first time in the prestigious Sommelier Wine Awards' history, English sparkling

wine received more gold medals than Champagne. English fizzy products won seven gold medals, while Champagne's performance slumped compared to last year, receiving just six golds, half the number achieved in 2017.

"One of the opportunities of a changing climate is the chalky soil of parts of England, combined with the weather that we are having, means that English sparkling wine will have a bumper harvest," UK environment minister Michael Gove said at the time.

Under EU rules, only sparkling wine produced in the Champagne region of France and fermented to a certain specification can be characterised as such. All other fizzy wines created from grapes produced outside the region are referred to simply as sparkling wine.

THE INDIAN MARKET WAS AMONG THE TOP THREE IN TERMS OF VOLUME, WITH 112.6 MILLION BOTTLES SOLD TO INDIA IN 2018, COMPARED TO TOP-RANKED FRANCE AT 187.8 MILLION BOTTLES AND SECOND-PLACED US AT 136.8 MILLION BOTTLES.

Adding some sparkle...

The news of an expanding Scotch whisky market in India came as it emerged that sparkling wines produced in Britain were also growing in popularity. Nyetimber, based in West Sussex, recently announced plans to go global and tap into Asian markets like India after a record grape

The Imperatives of an Enhanced Security Connect

Lieutenant General Syed Ata Hasnain, a highly decorated officer of the Indian Army and the former Commander of the Kashmir Corps, highlights areas of defence cooperation that could enhance the relationship between India and the UK.

As a second-generation Indian military professional (father also being from the British Indian Army), belonging to a regiment which proudly wears its scarlet lanyard on the right shoulder due to its erstwhile royal status, student of Indian history and someone educated in a Church of England school replete with a British principal and headmaster, I surely can claim I had the right credentials as an Indian to attend the Royal College of Defence Studies (RCDS) programme in 2006. It was a year-long exchange at the famous Seaford House located at Belgravia, a stone's throw from the Buckingham Palace. One realises just how comfortable an Indian feels in London or anywhere in the UK; it is just that the environment is so 'Indian'.

Travelling the UK extensively, visiting a large number of military institutions and bases and getting exposure to the way the UK does business of governance and security give a clear impression that it lives by the byline—'stability, security and prosperity'. That is what a like-minded nation such as India also believes in: The prosperity of its people through promotion of partnerships and cooperation which give rise to stability and security.

After approximately thirty years of this evolving uncertainty, both the UK and India are at a crucial juncture with a broad understanding of the challenges before the world and the two nations in particular, many being common. The tentativeness of the last thirty years prevented a full-blooded relationship based on shared values and perceptions. Perhaps the take-off stage has arrived now. Brexit must be considered for the opportunity rather than for the procedural hurdles which come in the way of implementation of processes until the UK is clear off European controls.



Violent Extremism and Ideological Radicalism

In allotting priority within the spectrum of threats, the problem of violent extremism and radical ideology probably stand out. The UK and India are both nations which respect multiculturalism and plurality. This is based on mutual respect between different faiths and ethnicities and the freedom to follow one's practices without impinging on the beliefs of others. Such systems which provide freedom and liberty are sometimes exploited by those with radical belief. Both the UK and India are experienced in handling intelligence, follow-up, terminal-end terrorist actions and have best practices for the same. However, both need to add their conjoint weight to the early finalisation of the Comprehensive Convention on International Terrorism and isolate those nations which place impediments in the way of identifying and naming nations and groups involved in employing terror for their strategic goals. If they decide to do so, there is enough common ground to strategise on this.

Finance forms the bedrock of capability of terror organisations, especially in an increasingly-

networked world. Both nations have cyber technologies developed to cater to this threat but need cooperation to establish obstacles and firewall the free flow of such funds. Exchange of technology and experience will benefit both immensely.

Transnational and Cybercrime

Organised transnational crime is a serious threat to both nations. It is through information sharing, operational cooperation and exchange of best practices to disrupt and dismantle criminal networks and bringing the perpetrators to justice, that this menace can be curbed. Fugitives from India are known to exploit the UK's extradition law, which needs to be prevented more seriously. This will be a true demonstration of intent. In the cyber-field the freedom of the internet is guaranteed by both nations. The proposed Cyber Security Training Centre of Excellence needs to be taken forward in an early time frame to allow the proliferation of expertise, training and capability.

Geopolitical and Geostrategic Areas of Concern

In a world changing rapidly, consultation is a dire need. The evident trust between the two nations needs to be converted to action. Much of this can be achieved if there is 'strategic convergence' in thinking between the intelligence and defence communities of both nations. A linkage between the UK and India left wide open and yet unexploited is the Commonwealth. The outreach to Africa by both nations can be through this medium as it was some years ago. It is also an appropriate club to garner greater support for India's candidature for the permanent membership of the UN Security Council, a proposal which the UK wholeheartedly supports.

THE UK AND INDIA ARE BOTH NATIONS WHICH RESPECT MULTICULTURALISM AND PLURALITY. THIS IS BASED ON MUTUAL RESPECT BETWEEN DIFFERENT FAITHS AND ETHNICITIES AND THE FREEDOM TO FOLLOW ONE'S PRACTICES WITHOUT IMPINGING ON THE BELIEFS OF OTHERS.

Defence Collaboration

Defence collaboration is a vast area for cooperation between nations with close bonds, trust and common perceptions of threats. The spectrum includes doctrine, training and transfer of strategic

these years. With 70 per cent of the capital requirements being imported and procedures for the same so bureaucratic, it took years to fructify deals into delivery. There is a sincere effort to decontrol acquisitions through new procedures. A wholly

found India and the UK on opposite sides. Despite that, the relationship remained warm without converting into anything strategic. The connect between the Indian armed forces and the erstwhile British armed forces based upon two centuries of

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capability between the two nations, including defence technologies and manufacturing in areas of mutual interest. There is a world of opportunity to be exploited and it is not important to identify each such facet of technology or sphere of cooperation in this essay. More important perhaps is to briefly identify why this did not happen in the past. Were there institutional hurdles or simply a lack of convergence of perception and a will to get things done?

India's chief weakness lies in its inability to undo the mammoth public sector undertakings which has been the cause of the low-quality products the Indian armed forces have contended with all

new Defence Procurement Procedure had been put together under former Defence Minister Manohar Parrikar. The changes in FDI rules may not have yet attracted the kind of potential which was expected. This is primarily because the decontrol mechanism is a work in progress and a need to convince potential partners remains. With a country such as the UK with one of our oldest embassies/high commissions, there is no reason why a defence industry segment cannot supplement the offices of the defence attaché.

Conclusion

Special relationships are based on historical connections and trust. It is unfortunate that the intervening forty-five years of the Cold War

association, albeit under colonial rule, remained one of the cornerstones of the relationship. It is only natural that they should remain central to the idea of an enhanced strategic connect between the two nations. There is history to be exploited and yet a future waiting with opportunities, and both nations appear to have the will to take this to a natural culmination of aspirations.

The above is a synopsis of one of the chapters from 'Winning Partnership: India-UK Relations Beyond Brexit', edited by India Inc. Founder & CEO Manoj Ladwa.

An integrative approach to literacy

by Rohini Rathour



The founder of a UK-based education charity on a mission to achieve wider literacy in India explains Raindrop Campaign's coordinated approach.

If you're reading this, then you're one of the lucky ones. You can read! Consider how different your life would be without that basic skill you take for granted.

Around 266 million adults, a fifth of India's population, are unable to read or write. For the world's largest democracy, that is a regrettable statistic. It's also a testament to the resilience and forbearance of India's poor that despite this glaring inequity, the country has made so much progress.

Just imagine how much more we could achieve as a nation if the disenfranchised 20 per cent were given the opportunity to climb out the hole they found themselves in at birth.

A 2015 study by PwC and Save The Children found that more than 8 million children under the age of six

live in India's urban slums. That's equivalent to the entire population of London. Most will never go to school. It may feel like an impossible challenge to ever make a dent in a problem that is so large and growing. Which is why at Raindrop Campaign we prefer to focus on a single cause, and bring about small but meaningful changes.

A BRIDGE SCHOOL PROVIDES A CONCENTRATED DOSE OF LEARNING OF BASIC SKILLS SUCH AS LITERACY, NUMERACY AND THE LOCAL LANGUAGE.

In 2016, we identified an NGO whose integrative approach to the education

of children in urban slums really impressed us. Bangalore-based Samridhdhi Trust understand that if they are to make a real and lasting difference, children from slums need more than just a place at a school. You have to acknowledge where these children have come from, the limitations they face at home and the obstacles they will face when they enter the job market.

Samridhdhi has a dedicated team of people who work closely with the community, getting them to commit (emotionally and financially) in their child's education. The migrant families who come from other parts of India looking for a better life often find it hard to fit in because they don't speak the local language. This excludes their children from the free government schools where only the local language is spoken.

There are four distinct aspects to Samridhdhi's approach that make them stand out.

Bridge Schools: Imagine a child who's never been to school, whose parents are illiterate, fitting in with other children who've had a more privileged upbringing. It can be overwhelming. A bridge school provides a concentrated dose of learning of basic skills such as literacy, numeracy and the local language. After 12 months the child is assessed for their proficiency and allocated to the appropriate level at a mainstream school.

Mainstream Schools: Once children have been through the bridge schooling they are helped to enrol into a private English-speaking school or a free government school. Getting an English based education improves their mobility and chances of getting a job. Samridhdhi fund half of the school fees with the rest paid for by the child's parents. Having "skin in the game" ensures greater commitment from both the child and the parents.

After School Project: At the end of the school day the children head for the after school clubs where they get nutritious snacks and homework help. It is also a place where friendships are formed and children enjoy extracurricular activities that are not normally available to them. Samridhdhi also arrange for tutors to give extra lessons so these children can compete on a more level playing field, making up for the lack of support once they return to their home in the slums.

Finishing Schools: These are designed for older children, giving them vocational/career guidance so they are better prepared going into higher education or employment. The idea is to increase the chances of getting a good job thereby maximising the returns from the investment their parents and Samridhdhi have made in their education.

Over the years Samridhdhi has created a number of success stories of young people whose lives have been transformed. Here are a few.

Eighteen-year-old Swathi came to Bangalore with her family in 2009 from neighbouring state Andhra Pradesh. In a recent conversation, she told me she first heard about Samridhdhi's after school project from her friend. She took the initiative to approach Samridhdhi Trust to ask if she too could join them. Her grades improved, as did her attitude to learning. Alongside sports such as Kabaddi and Badminton, she took the opportunity to explore her creative side through arts and crafts. She's studying Psychology at university but wants to become a fashion designer. She intends to return to Samridhdhi as a volunteer and mentor, helping others like her.

In 2007 at the age of seven, Bipin moved with his family from Uttar Pradesh to Bangalore in search of a better life. He tells me that even though he had been going to a school in his village, he learnt nothing; he couldn't even write his own name. "In Bangalore, my father worked really hard in his pani-puri shop and with the profits he sent me to a good school," says Bipin. When his father's business got into difficulty and lost money, they considered moving back to where they'd come from. It is at this point that they were helped by Samridhdhi to keep Bipin in school. He's keeping an open mind about what he wants as a career. But there is one thing he is sure about: "When I get a job and start earning money I want to send money to Samridhdhi and I will come and help them any time they ask me to," he says.

Every interaction I've had with the children who've been helped by Samridhdhi fills me with hope and joy for India's future. Seema Jha, one of the trustees who're responsible for the after-school project, is much loved by all the children. She leads a team that is dedicated to helping children become the people they



have the potential to be. They've created a wonderful community in which children are growing up believing anything is possible, and yet respecting the struggle their own parents have faced, the sacrifices they've made to get them the education they themselves never enjoyed.

But not every parent fully appreciates the merits of educating their child, especially their daughters. Twelve-year-old Reshma says school is her most favourite place. She was brought into the bridge schooling programme a couple of years ago and proved to be a fast learner. During her sixth grade she suddenly stopped coming to school. Reshma's parents had decided she should stay at home and learn to cook and clean as they intended to marry her off. Thanks to the gentle persuasion of one of Samridhdhi's community workers Reshma is now back at school safe from a child marriage, at least for now.

We want to inspire our children to a world of opportunity so they can boldly create their own ideal future.

Rohini Rathour is Founder and Trustee of UK-registered charity Raindrop Campaign and a former professional investor turned personal development coach.

Doctors protest UK's 'unfair' health surcharge

by India Inc. Staff



Doctors and healthcare professionals from India, often referred to as the backbone of the UK's state-funded National Health Service (NHS), are campaigning against a doubling of a visa surcharge that would adversely impact recruitment plans to reverse staff shortages in the UK.

Indian doctors and healthcare professionals based in the UK are campaigning against what they describe as an “unfair” doubling of a health surcharge imposed on professionals from outside European Union (EU) living and working in Britain.

The “Immigration Health Surcharge” was introduced in April 2015 and from December last year it was hiked from £200 to £400 per year. It is imposed on anyone in the UK on a work, study or family visa for longer than six months in order to raise additional funds for the country's state-funded National Health Service (NHS).

The British Association of Physicians

THE HEALTH SURCHARGE IS PAYABLE BY NATIONALS FROM COUNTRIES LIKE INDIA IF THEY ARE SEEKING TO LIVE IN THE UK FOR SIX MONTHS OR MORE, OR TO EXTEND THEIR STAY.

of Indian Origin (BAPIO), the UK's largest representative body for Indian-origin doctors, is lobbying the UK Home Office for a rethink over the charge as it would have an adverse impact on their attempt to recruit more healthcare professionals from India to

meet staff shortages in the NHS.

“Clinicians wishing to work in the UK are already facing burdensome processes relating to regulation and immigration, and on top of this surcharge is only going to see UK losing out on quality healthcare professionals from non-EU countries,” notes a letter from BAPIO President Ramesh Mehta and Secretary Parag Singhal, sent to UK home secretary Sajid Javid in early February this year. “The current policy adversely affects the attraction of working in the NHS and will sabotage our own requirements of providing quality health services to our patients. Therefore, in the interest of patient safety and improved morale of the

CLINICIANS WISHING TO WORK IN THE UK ARE ALREADY FACING BURDENSOME PROCESSES RELATING TO REGULATION AND IMMIGRATION, AND ON THE TOP THIS SURCHARGE IS ONLY GOING TO SEE UK LOSING OUT ON QUALITY HEALTHCARE PROFESSIONALS FROM NON-EU COUNTRIES.

immigrant workforce, we request that this unfair and highly discriminatory health surcharge for NHS employed professionals should be reversed with immediate effect," the letter states.

According to the organisation, one in 11 NHS clinical posts are currently unfilled, rising to one in eight for nursing vacancies, and the severe shortage is likely to grow to around 250,000 by 2030. Doctors, nurses and other healthcare professionals from countries like India are often referred to as the "backbone" of the UK's healthcare system as they take up critical posts across hospitals and clinics in the country.

BAPIO has been at the centre of organising fellowship programmes for doctors from India to fill NHS shortages while completing their training in Britain as a "win-win" arrangement. But it fears these efforts would be hit as a result of the additional financial burden imposed by the health surcharge.

"These professionals are paying their taxes, including National Insurance (NI) contributions, in addition to providing quality health services in over-stretched hospitals. Such an additional burden will make them feel demoralised and discriminated," said Prof. Singhal.

The health surcharge is payable by nationals from countries like India if they are seeking to live in the UK for six months or more, or to extend their stay. The payment is made at the time the immigration application is made and is payable annually until such time as the person is granted indefinite leave to remain (ILR) in the UK, or returns to their home country at the end of their visa period. Short-term migrants, including tourists on visitor visas, are charged differently for secondary care treatment by the NHS at the point of visa access.

Other groups have also questioned

the extremely high surcharge on the grounds that it amounted to "double taxation" for long-term migrants, who are already expected to make tax

an estimated £220 million in extra funding with the doubling of the surcharge, with the funds aimed at "sustaining and protecting" the



contributions towards the care system. "Most people who do move here will work and they will pay tax. So, doubling this charge is a form of double taxation. People are going to be ending up paying for the NHS twice," said Satbir Singh, Chief Executive of the Joint Council for the Welfare of Migrants.

The UK government says that since the surcharge was introduced in 2015 it has raised over £600 million, which has been ploughed back into health budgets. It expects to raise

country's healthcare system. "We welcome use of the NHS by long term residents who still need leave to remain, but we believe it is right that they make a fair and proportionate contribution to its long-term sustainability," a UK Home Office spokesperson said.

"Parliament agrees and has approved the order we proposed to increase the immigration health surcharge so it better reflects the actual costs to the NHS," the spokesperson added.

Trump's GSP bite may not hurt India much, but...

The latest US move to deny Indian exports a tariff-free regime under the Generalised System of Preferences (GSP) is an unnecessary irritant.

The Reserve Bank of India (RBI) governor has an unenviable job. Apart from being India's chief banking regulator, he has to ensure that the Indian currency remains stable, inflation muted and growth high. These last three have often been referred to as the Indian central banker's trilemma.

It had to happen sooner rather than later. US President Donald Trump's transactional administrative paradigm has found a new target after China, Mexico, Canada and the European Union (EU) – India.

The US has decided to remove imports from India from the Generalised System of Preferences (GSP) programme that enabled some Indian products zero-tariff access to the American market.

India is the world's largest beneficiary of the GSP programme. It exports about 2,000 products worth \$5.8 billion, or 12 per cent of its exports to the US. These include auto components, marine products, carpets, granite and other raw materials, handicrafts and jewellery.

The Narendra Modi government and most analysts in India have treated this news with nonchalance. The reason for this apparent lack of concern: The duty concession is only about \$190 million – not a very great deal in the context of overall exports.

The withdrawal of GSP will take effect 60 days from the date of the announcement via a presidential proclamation. But there is little likelihood of the Indian government striking a deal during this period to stall this withdrawal as India's Election Commission (EC) is almost set with the dates for the Lok Sabha elections, bringing into force the election

Code of Conduct, which will tie the government's hands on providing any concessions to any party.

Though not entirely unexpected given Trump's mercurial and unpredictable nature, this latest salvo from the White House quite unnecessarily adds an irritant and a new imponderable into the otherwise close, robust and growing bilateral relationship and the almost perfectly aligned geo-political vision of the two countries.

No one on the Indian side is saying so on record but there is surprise that Trump has opened another front with a major ally at a time he is locked in a high octane trade war with China.

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The US President's main grouse is India's refusal to remove the price caps it has imposed on knee implants and medical stents. The Modi government views these as life-saving medicines – India is committed to providing cheap healthcare for its citizens – but the decision has not gone down well with US companies for which these are big money spinners.

Also new rules that place restrictions on foreign e-commerce companies and encourage domestic retailers and an insistence that all companies store the personal data of Indians in India have upset large US companies such as Amazon, Google and Walmart.

Newspaper reports say the Indian

government is unlikely to drag the US to the World Trade Organisation (WTO), although it has a strong case as the amounts involved are piffling and Indian exports are not expected to take a significant hit. Also, labour-intensive sectors such as textiles and footwear, which don't come under GSP, will not be touched by Trump's decision, thereby mitigating any risk of large-scale job losses ahead of the Lok Sabha elections.

Then, the denial of easy access to the US market may actually present Indian exporters with an opportunity to explore alternatives – like the UK market, which is experiencing a significant amount of churn as it wrestles its way to its eventual divorce with the EU.

'India Global Business' is also surprised at this turn of events and especially at Trump for bringing out the big guns for what is essentially small change, given the huge stakes involved in the US-India strategic partnership and the humungous orders that the Indian defence establishment will bring to the international arms market over the coming decade.

As the Modi government has shown time and again, today's New India does not take a hit on the chin as just another blow; it hits back with all its might at a time and place of its choosing. It is still not clear how the Indian government will react to this latest shot across its bows. So far, it has handled the fallout as one would expect from a mature nation.

One can only hope that there are no fresh provocations from the White House – for the sake of what most people still believe could be the defining partnership of the current century.

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